

7298. Also, petition of 2,450 citizens of the thirteenth congressional district of Michigan, urging the United States to recognize the Irish Republic; to the Committee on Foreign Affairs.

7299. By Mr. CURRY: Petition of the directors of the Chamber of Commerce of Sacramento, Calif., favoring a minimum Army strength of 150,000 enlisted men and 13,000 officers; to the Committee on Military Affairs.

7300. By Mr. KISSEL: Petition of Rodgers & Hagerty (Inc.), New York City, N. Y., urging modification of the present immigration law; to the Committee on Immigration and Naturalization.

7301. By Mr. PORTER: Petition of 869 signers, residents of Pittsburgh, Pa., indorsing House Joint Resolution 412, for the relief of Austria and Germany; to the Committee on Foreign Affairs.

7302. By Mr. RIORDAN: Petition of sundry citizens of the eleventh and nineteenth congressional districts of New York, urging that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7303. By Mr. TREADWAY: Petition of the town of Hancock, Mass., making recommendations with reference to the existing coal situation; to the Committee on Interstate and Foreign Commerce.

## SENATE.

THURSDAY, February 15, 1923.

(Legislative day of Tuesday, February 13, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McKinley	Smith
Ball	Glass	McNary	Smoot
Bayard	Gooding	Moses	Spencer
Borah	Hale	Nelson	Sterling
Bursum	Harrell	New	Sutherland
Calder	Harrison	Nicholson	Swanson
Cameron	Heflin	Norris	Townsend
Capper	Hitchcock	Oddie	Trammell
Caraway	Johnson	Overman	Underwood
Colt	Jones, N. Mex.	Owen	Wadsworth
Couzens	Jones, Wash.	Page	Walsh, Mass.
Culberson	Kellogg	Phipps	Walsh, Mont.
Curtis	Keyes	Pittman	Warren
Dial	Ladd	Pomerene	Watson
Dillingham	La Follette	Ransdell	Weller
Ernst	Lenroot	Reed, Mo.	Williams
Fernald	Lodge	Reed, Pa.	Willis
Fletcher	McCormick	Robinson	
Frelinghuysen	McCumber	Sheppard	
George	McKellar	Shields	

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

### DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the president of the Board of Managers of the National Home for Disabled Volunteer Soldiers, transmitting, in response to Senate Resolution 399, agreed to January 6, 1923, information relative to the number and cost of maintenance of privately owned passenger-carrying automobiles in use by the National Home for Disabled Volunteer Soldiers and its branches, which, with the accompanying papers, was ordered to lie on the table.

### SENATOR FROM OHIO.

Mr. WILLIS. I present the credentials of Hon. SIMEON D. FESS, Senator elect from the State of Ohio, which I ask may be read and placed on file.

The credentials were read, and ordered to be placed on file, as follows:

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF OHIO.  
TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that at a regular election held in the State of Ohio on the 7th day of November, A. D. 1922, SIMEON D. FESS was duly elected a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1923.

Witness his excellency our governor, Harry L. Davis, and our seal hereto affixed at Columbus, Ohio, this 8th day of December, in the year of our Lord 1922.

[SEAL.]

By the governor:

HARRY L. DAVIS, Governor.

HARVEY C. SMITH,  
Secretary of State.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed without amendment the bill (S. 3721) providing for the erection of additional suitable and necessary buildings for the National Leper Home.

The message also announced that the House had passed the bill (S. 3220) to amend sections 2, 5, 11, 12, 15, 19, 29, and 30 of the United States warehouse act, approved August 11, 1916, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 12053. An act to define butter and to provide a standard therefor; and

H. R. 14302. An act to establish and promote the use of the official cotton standards of the United States in interstate and foreign commerce, to prevent deception therein, and provide for the proper application of such standards, and for other purposes.

### PETITIONS AND MEMORIALS.

Mr. WILLIS presented a resolution of the Akron (Ohio) Chamber of Commerce favoring the passage of the so-called ship subsidy bill, which was ordered to lie on the table.

Mr. LADD presented a memorial, numerously signed, of sundry citizens of Mandan, N. Dak., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. KEYES presented communications in the nature of petitions of the congregations of the Atkinson Congregational Church of Atkinson, the Congregational and Baptist Churches of New Ipswich, the Congregational Church of Henniker, the Congregational Church of Gilsum, and the trustees of the New Hampshire Congregational conference, held at the South Congregational Church of Concord, all in the State of New Hampshire, praying an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

Mr. RANDELL presented a memorial, numerously signed, by sundry citizens of New Orleans, La., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia, and the body of the memorial was ordered to be printed in the RECORD as follows:

### PETITION TO CONGRESS.

To the honorable the Senate and House of Representatives of the United States:

Believing (1) in the separation of church and the State;  
(2) That Congress is prohibited by the first amendment to the Constitution from enacting any law enforcing the observance of any religious institution, or looking toward a union of church and State, or of religion and civil government;  
(3) That any such legislation is opposed to the best interests of both church and State; and  
(4) That the first step in this direction is a dangerous step and should be opposed by every lover of liberty;  
We, the undersigned adult residents of New Orleans, State of Louisiana, earnestly petition your honorable body not to pass the compulsory Sunday observance bill (S. 1948) which aims to regulate Sunday observance by civil force under penalty for the District of Columbia.

Mr. REED of Pennsylvania. I ask unanimous consent to present and have embodied in the RECORD in 8-point type a concurrent resolution of the Legislature of Pennsylvania regarding the installation of the modern mail-tube system, and I also request that the memorial be referred to the Committee on Post Offices and Post Roads.

The memorial was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD in 8-point type, as follows:

No. 2.

IN THE HOUSE OF REPRESENTATIVES,

January 29, 1923.

Whereas the sentiment of Philadelphia, like that of the other cities of the country where the modern mail-tube system has been tested, is emphatically in favor of it, as indicated by the press and by public expression, by the great business organizations, by city councils, and by the public generally: Therefore be it

Resolved (if the senate concur). That this legislature associates itself with the public's progressive demand for the use and extension of such service as a necessity of the post office

and a relief to the congestion of the already overcrowded thoroughfares of our larger cities; and be it further

*Resolved*, That the Secretary of the Commonwealth be requested to forward a copy of this resolution to the Vice President of the United States and the Speaker of the Federal House of Representatives for presentation to Congress.

THOMAS H. GARVIN,  
*Chief Clerk of the House of Representatives.*

The foregoing resolution was concurred in by the senate February 6, 1923.

WM. P. GALLAGHER,  
*Chief Clerk of the Senate.*

Approved the 7th day of February, A. D. 1923.

GIFFORD PINCHOT, *Governor.*

OFFICE OF THE SECRETARY OF THE  
COMMONWEALTH OF PENNSYLVANIA,  
Harrisburg, February 14, 1923.

PENNSYLVANIA, ss:

I, Clyde L. King, Secretary of the Commonwealth of Pennsylvania, having the custody of the Great Seal of Pennsylvania, do hereby certify that the foregoing and annexed is a full, true, and correct copy of Concurrent Resolution No. 2 of the General Assembly of the Commonwealth of Pennsylvania, approved the 7th day of February, A. D. 1923, as the same appears of record and on file in this office.

In testimony whereof I have hereunto set my hand and caused the great seal of the State to be affixed the day and year above written.

[SEAL.]

CLYDE L. KING,  
*Secretary of the Commonwealth.*

Mr. BORAH presented the following joint memorial of the Legislature of Idaho, which was referred to the Committee on Irrigation and Reclamation:

UNITED STATES OF AMERICA,  
STATE OF IDAHO,  
OFFICE OF THE SECRETARY OF STATE.

I, F. A. Jeter, secretary of state of the State of Idaho and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of House Joint Memorial No. 6 with the original thereof adopted by the senate and house of representatives of the Seventeenth Legislative Assembly of the State of Idaho and filed in the office of the secretary of state of the State of Idaho February 8, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at the capitol at Boise, Idaho, this 10th day of February, A. D. 1923.

[SEAL.]

F. A. JETER, *Secretary of State.*  
IN THE HOUSE OF REPRESENTATIVES.

A joint memorial to the honorable Senate and House of Representatives of the United States of America in Congress assembled.

Your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas great distress obtains upon Government Federal reclamation projects in the State of Idaho; and

Whereas in the early history of the movement for the construction of Government reclamation project in the State of Idaho the Government of the United States on April 5, 1904, caused to be published Senate bill No. 247, and at page 20 thereof in said document discloses the representations made by the representatives of the Government of the United States as to the costs of reclamation per acre upon the Boise project, and Mr. Newell, who at the time was Director of the Reclamation Service, at a meeting of the citizens of Boise Valley among other things made the following representations:

"Replying to another question he said the cost could not possibly exceed \$20 or \$25 per acre."

The cost referred to by the director was the cost for a water right and completed project to be assessed against the lands of the Boise project; and

Whereas, when the first unit of the Boise project had been completed, and the only one that has been completed, the Secretary of the Interior announced an \$80 charge per acre for each acre of land; and

Whereas Senate Document No. 247, published by the Government of the United States, was spread broadcast throughout the Middle West and State of Idaho and elsewhere as an inducement for settlers to take up Government land and to enter into contractual relations with the Government of the United States and assume to pay the burden of reclamation; and

Whereas hundreds of settlers went upon Government lands and located within the reclamation projects of the State of Idaho, with the understanding that they would be required to pay from \$20 to \$25 per acre for the reclamation of their lands, and many of whom waited from five to nine years after their location upon desert lands before any water was furnished to them whatsoever upon their lands from said reclamation project or any other source; and

Whereas hundreds of settlers upon Federal reclamation projects in the State of Idaho have exhausted all of their resources in an effort to meet their obligations to the Government of the United States and at this time are practically penniless; and

Whereas the Federal reclamation projects in the State of Idaho are confronted with one of two alternatives, first, an extension of time must be given and arrangements made for a reasonable distribution of the payments required to be made to the Government, or, second, hundreds of settlers who have spent from 10 to 15 years of the best part of their lives in an attempt to make homes upon Federal reclamation projects in the State of Idaho will be forced to abandon their said homes and seek a living elsewhere, and that, too, in the declining years of their lives; and

Whereas the conditions heretofore stated in this memorial have been greatly augmented, on account of excessive freight rates obtaining from the State of Idaho to eastern markets, being practically prohibitive, until the products grown upon Federal reclamation projects have rotted in the fields, for the reason that they would not bring sufficient sums to pay transportation charges; and

Whereas justice and a desire to show our appreciation to those who have struggled for years to subdue the desert and to improve our country and its citizenship impels us to ask that the Congress of the United States of America, by act of Congress, postpone all payments overdue upon reclamation projects and spread all of the remaining payments to fall due, together with said past due payments, over a period of 40 years, to the end that the Government may have returned to it by the citizens who have in most instances undertaken to reclaim desert lands on Federal reclamation projects: Now, therefore, be it

*Resolved*, That we earnestly urge the Congress of the United States of America to immediately enact legislation in harmony with this resolution; and be it

*Resolved*, That the secretary of state of the State of Idaho is hereby instructed to forward this memorial to the Senate and House of Representatives of the United States of America, and that copies of the same be sent to the Senators and Representatives in Congress from this State.

This memorial passed the house on the 3d day of February, 1923.

M. A. KIGER,  
*Speaker of the House of Representatives.*

This memorial passed the senate on the 5th day of February, 1923.

H. C. BALDRIDGE,  
*President of the Senate.*

I hereby certify that the within House Joint Memorial No. 6 originated in the house of representatives during the seventeenth session of the Legislature of the State of Idaho.

DAVE BURRELL,  
*Chief Clerk of the House of Representatives.*

Mr. McNARY presented the following resolution of the Legislature of Oregon, which was referred to the Committee on Interstate Commerce:

THIRTY-SECOND LEGISLATIVE ASSEMBLY, REGULAR SESSION.  
Senate Joint Resolution No. 7, introduced by committee on resolutions and read January 26, 1923.

Whereas by section 19a of the interstate commerce act providing for the valuation by the Interstate Commerce Commission of the properties of common carriers it is provided that "such investigation shall show the value of its property in each of the several States and Territories and the District of Columbia, classified and in detail as herein required"; and

Whereas the commission in its valuation reports thus far made has shown the values of properties covered by such reports in each case as a whole only and has failed to show the values thereof "in each of the several States and Territories and the District of Columbia"; and

Whereas the bureau of valuation of said commission has recommended to the commission that it request Congress to relieve it from showing the values of said properties by States; and

Whereas it is desirable for various uses and purposes that such valuation shall be shown separately by States as aforesaid: Now, therefore, be it

*Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring)*, That the thirty-second legislative assembly of the State of Oregon now in session expresses its view that the Interstate Commerce Commission should show as to each interstate carrier the value of its property in each of the several States in which said property exists, and that no change in the law to sanction failure to make such showing ought to be sought or made; and be it further

*Resolved*, That a copy of this resolution be mailed to each United States Senator and each Member of Congress from Oregon.

#### REPORTS OF COMMITTEES.

Mr. CAMERON, from the Committee on the District of Columbia, to which was referred the bill (S. 1847) to amend an act approved February 12, 1901, entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co., in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," reported it without amendment and submitted a report (No. 1145) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 4414) to amend the act of Congress approved September 6, 1922, relating to the discontinuance of the use as dwellings of buildings situated in alleys in the District of Columbia, reported it with an amendment and submitted a report (No. 1146) thereon.

Mr. BAYARD, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6630) providing additional terminal facilities in square east of 710 and square 712 in the District of Columbia for freight traffic, reported it with amendments and submitted a report (No. 1147) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4192. An act to permit the correction of the general account of Charles B. Strecker, former Assistant Treasurer United States (Rept. No. 1148);

H. R. 7010. An act for the relief of Southern Transportation Co. (Rept. No. 1149);

S. 4179. An act for the relief of Charles W. Mugler (Rept. No. 1150); and

S. 4493. An act for the relief of the owners of the American schooner *Mount Hope* (Rept. No. 1151).



Mr. CURTIS, from the Committee on Indian Affairs, to which was referred the bill (S. 4544) to authorize the extension of the period of restriction against alienation on surplus lands allotted to minor members of the Kansas or Kaw Tribe of Indians in Oklahoma, reported it without amendment and submitted a report (No. 1152) thereon.

#### BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TOWNSEND:

A bill (S. 4557) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. OVERMAN:

A bill (S. 4558) granting permission to Mrs. R. S. Abernethy, of Lincolnton, N. C., to accept the decoration of the Bust of Bolivar (with an accompanying paper); to the Committee on Foreign Relations.

By Mr. LODGE:

A bill (S. 4559) authorizing the President to declare an embargo on coal; to the Committee on Interstate Commerce.

By Mr. McCORMICK:

A bill (S. 4560) granting a pension to John A. Robinson; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 4561) granting a pension to Francisca Chavez de Pena; and

A bill (S. 4562) granting a pension to Josefa Uriaste de Lovato; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 4563) granting a pension to P. J. Langan; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 4564) granting a pension to Ella M. Sims (with accompanying papers); to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 4565) granting a pension to Margaret Donahue; to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 4566) for the relief of Ruth Dixon Philbrick (with accompanying papers); to the Committee on Claims.

By Mr. BALL:

A bill (S. 4567) to provide for the extension of Bancroft Place between Phelps Place and Twenty-third Street NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. POINDEXTER:

A bill (S. 4568) granting a pension to Osborne G. Crosby; to the Committee on Pensions.

By Mr. McNARY:

A joint resolution (S. J. Res. 280) for the relief of the city of Astoria, Oreg.; to the Committee on Finance.

#### WORLD WAR FOREIGN DEBT SETTLEMENT.

Mr. WALSH of Montana submitted sundry amendments intended to be proposed by him to the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922, which were ordered to lie on the table and to be printed.

#### FLORAL WREATH FOR SILENT TRIBUTE TO WASHINGTON.

Mr. LODGE submitted the following concurrent resolution (S. Con. Res. 39), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved by the Senate (the House of Representatives concurring), That the Sergeant at Arms of the Senate and the Sergeant at Arms of the House of Representatives are hereby authorized and directed to purchase a floral wreath to be placed at the base of the Washington Monument on Washington's Birthday, February 22, 1923, on the occasion of the ceremonies attending upon the silent tribute, the expense of such wreath to be paid in equal proportions from the contingent funds of the Senate and House of Representatives.*

#### PROPOSED INTERNATIONAL CONFERENCE.

Mr. OWEN. Mr. President, I give notice that on Monday morning I shall ask the permission of the Senate to speak on the resolution for the assembling of a three months' world conference at Washington, D. C., to be called by the President of the United States.

#### STANDARDS FOR COTTON.

The bill (H. R. 14302) to establish and promote the use of the official cotton standards of the United States in interstate and foreign commerce; to prevent deception therein and pro-

vide for the proper application of such standards, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

#### STANDARD FOR BUTTER.

The bill (H. R. 12053) to define butter and to provide a standard therefor was read twice by its title.

The PRESIDING OFFICER (Mr. STERLING in the chair). This bill being the same as Senate bill 3858, which has been reported favorably from the Committee on Agriculture and Forestry, the Chair, if there be no objection, will order that the bill go to the calendar.

#### WORLD WAR FOREIGN DEBT SETTLEMENT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922.

Mr. SMOOT. Mr. President, the pending question before the Senate is the unanimous-consent agreement.

The VICE PRESIDENT. The Secretary will read the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that from and after the hour of 2 o'clock p. m. to-day (Thursday), February 15, 1923, no Senator shall speak more than once nor longer than five minutes upon the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922, nor more than once nor longer than five minutes upon any amendment offered thereto.

Mr. SMOOT. Of course, that was the original request, and it was agreed yesterday to make it Friday instead of Thursday.

Mr. NORRIS. Let me interrupt the Senator from Utah. I do not want to be put in a false attitude. If the agreement is entered into, there will probably be a sort of gentleman's understanding that speeches shall be devoted to the bill. I gave notice several days ago that to-day, as soon as I could get recognition, I would address the Senate on a subject that is not particularly relevant to the pending bill. I do not want to have any misunderstanding about it. I want to carry out the notice that I have given.

Mr. SMOOT. There is no objection to the Senator proceeding. I understand he wants to occupy the floor only for about 25 minutes.

Mr. NORRIS. I think that will be as much time as I shall want to take.

Mr. SMOOT. But even if it were longer than that, there is nothing in the unanimous-consent agreement to prevent it.

Mr. NORRIS. I understand there is nothing technically to prohibit me from proceeding, but still if a time limit is placed on the discussion of the bill, I would not want to be one who would drift off and talk about something else, especially when I had premeditated it. I do not want any misunderstanding about it.

Mr. McKELLAR. Mr. President, in view of the fact that there are a number of Senators who want to speak on the question, I ask the Senator from Utah if he will not make it Saturday at 2 o'clock, and modify the agreement to that extent.

Mr. SMOOT. I will say to the Senator that if there are others who desire to speak at length after to-day the Senate can, if it wants, meet at 10 o'clock to-morrow morning.

Mr. McKELLAR. That is a very difficult hour to meet. Eleven o'clock is about as early as we can get here.

Mr. SMOOT. If other Senators want to speak, we can run right on through the evening. In other words, let the agreement stand as proposed, or we could make it 4 o'clock or 5 o'clock instead of 2 o'clock on Friday.

Mr. McKELLAR. Why not make it 1 o'clock on Saturday? That would be entirely satisfactory.

Mr. JONES of Washington. Mr. President, I think it is fair that I should say that I can not consent to such an arrangement. I can not control the handling of the bill. I hope, unless we can reach an agreement to dispose of the bill to-morrow, that we may go on to-day and to-night and meet as early in the morning as the majority of the Senate will agree on, and run as late to-morrow night as the majority of the Senate will have us run. I feel that I am just about as liberal as I can be in consenting to the bill going over until to-morrow without attempting to bring it to a vote sooner. So I shall not give my consent to an agreement extending the time until Saturday.

Mr. ROBINSON. Mr. President, the agreement was discussed at length yesterday. I believe that as it is now proposed it will afford ample time for all Senators who intend to discuss

the bill to do so. I believe it is a fair arrangement. I doubt whether the additional time suggested by the Senator from Tennessee is required. If, however, he thinks it is, of course he is at liberty to object to this agreement. In view of what transpired yesterday, however, I hope that it may be entered into.

Mr. SMOOT. I will say to the Senator from Tennessee if he desires to make the hour 4 o'clock or 5 o'clock, or even 6 o'clock, that will be perfectly satisfactory to me. I will remind the Senator that the request is merely that after that time speeches shall be limited to five minutes.

Mr. ROBINSON. I do not believe that that should be done. I would not object to making the hour 3 o'clock, but I think a reasonable time should be accorded for the discussion of amendments which will be presented.

Mr. SMOOT. I merely made the suggestion, I will say to the Senator—

Mr. BORAH. We ought to be allowed more than five minutes. I suggest to the Senator to give us 10 minutes.

Mr. ROBINSON. I think that modification of the request ought to be made.

Mr. NORRIS. I should like to say to the Senator from Utah that I have not talked with other Senators and do not know as to their desires, but I wish to speak a short time on the bill, and I do not wish to be debarred from doing so. I would not want to be confined, however, to five minutes.

Mr. SMOOT. I said on yesterday that I was perfectly willing to extend the time to 10 minutes.

Mr. NORRIS. It seems to me that 10 minutes should be allowed.

Mr. SMOOT. I am perfectly willing to make the request for 10 minutes.

Mr. ROBINSON. Mr. President, unless the Senator from Tennessee [Mr. McKellar] deems it necessary to extend the time for general debate. I think the proposal as now made will afford ample opportunity for discussion.

Mr. McKellar. The Senator from Nebraska has stated that he desires to make some remarks, and other Senators have stated that they also desired to discuss the bill. It is a matter of importance, as I think everybody will admit. The bill has been discussed fairly on both sides, and it ought to have reasonable discussion. I have sent to the Secretary of the Treasury for certain figures, which I have not yet received, and I should like to receive those figures. I do not know whether or not I shall receive them to-day or to-morrow. There has been some delay in sending them. I hope the Secretary will send them to-day, but I do not know whether or not he will do so.

Mr. SMOOT. I do not think there is any question that the Senator from Tennessee will receive the figures to-day.

Mr. McKellar. Does the Senator from Utah know anything about the request which I have made for those figures?

Mr. SMOOT. No; but I know that the Treasury Department responds promptly to such requests.

Mr. McKellar. I have asked the Secretary of the Treasury to have the actuary, Mr. McCoy, submit certain figures as I think are of importance, and I know Mr. McCoy is perfectly willing to do so if he gets the direction of the Secretary to that effect. It seems to me that a 10-minute limitation of debate on Saturday at any hour that may be fixed would be a very satisfactory arrangement.

Mr. SMOOT. I will say to the Senator from Tennessee that we can not secure such an agreement extending the time to Saturday.

Mr. McKellar. I do not wish to put anything in the way of an early vote on the bill.

Mr. SMOOT. It seems to me that with the opportunity to debate the bill without restriction between this time and to-morrow afternoon at 2 or 3 o'clock a limitation of 10 minutes on speeches thereafter on amendments and the bill would give ample opportunity to every Senator who desires to speak to do so.

Mr. REED of Missouri. Mr. President, I think I can settle this controversy. For one, I shall object at this time to any unanimous-consent agreement to vote on the bill.

Mr. ROBINSON. Mr. President, this is not an agreement to vote on the bill, although it contemplates that a vote shall be taken some time after 2 o'clock on to-morrow.

Mr. SMOOT. The proposition is to limit the speeches on the bill and amendments to 10 minutes after that hour.

Mr. REED of Missouri. Mr. President, this is the most tremendous contract that our country has ever been called upon to make. It proposes to tie the United States to the chariot wheels of British diplomacy and British finance for 62 years. The effort to rush this bill through Congress resembles nothing

so much as the effort of a gentleman who has a gold brick to sell and who has to dispose of it quickly if he gets rid of it at all. Whenever one finds such indecent haste it is always well to look into the transaction itself.

Mr. ROBINSON. Mr. President, will the Senator from Missouri yield?

Mr. REED of Missouri. I yield.

Mr. ROBINSON. Yesterday afternoon the debate was practically exhausted; no Senator was present who was ready to go on. A request to vote some time to-day was presented to the Senate. I myself stated that I thought that was entirely too early, and asked that the request go over in order that all Senators who were interested in the subject matter—having in mind particularly the Senator from Missouri—might be present when the proposed unanimous-consent agreement was considered. There was no Senator in the Chamber yesterday who was ready to proceed with the debate, and, from the information that had reached me, the debate would have become exhausted before 2 o'clock on Friday; certainly by that time. I therefore expressed the hope that the agreement might be entered into in order that night sessions might be avoided.

Mr. SMOOT. Mr. President—

Mr. REED of Missouri. Mr. President, my remarks have nothing to do with the suggestion made by my friend from Arkansas.

Mr. ROBINSON. That was the reason I made the statement.

Mr. REED of Missouri. I discussed this bill at some length on yesterday, and then was obliged to meet a delegation at the War Department. So I left here after I concluded my remarks. What I particularly referred to was a settled propaganda carried on throughout this country not in discussion of this measure but in eulogy of it. Followed by the action of the House of Representatives in passing this bill with less than a day of debate—and I apprehend that is as much as I can say regarding a transaction in the House of Representatives—the measure was brought forward here. The discussion yesterday demonstrated that this bill is an entirely different proposition from the one which the American people have been given to understand it to be. I want the bill discussed. It may be that the influences which the international banker and the international financier control and direct will be sufficient to put this measure through regardless of its merits. The situation reminds me of another important measure which was before the Senate a few years ago when we were given to understand that any man who opposed it was at least a foolish person, if not disloyal to his country.

There is no reason for any great haste. Since the day that Great Britain borrowed this money her notes of hand have lain in the Treasury of the United States. She is not in the condition of an absconding debtor who must be settled with upon the instant if at all. She is a great country that has solemnly entered into obligations to the United States, but now desires a more favorable contract than the one to which she has already attached her signature. She must either obey the terms of the solemn contract entered into, or she must negotiate with us for a better contract. Therefore we have the right to take all the necessary time to consider the interest of the United States. Have we done it? How many Members of the Senate have really considered this matter outside of the question of mere interest payments that are to be made? I undertake to say that our British friends have driven a bargain here or have been offered a bargain—whichever way the Senators may want to put it—which places the United States at disadvantages under which we can not afford to rest.

To illustrate: First, it is not provided in this instrument that the bonds shall be negotiable bonds; that they shall be payable to bearer, so that the United States may dispose of them when she desires. On the contrary, the distinguished Senator in charge of this bill indicates that the bonds will be payable to the United States and not to bearer.

Second, she has provided that she can pay these obligations in the bonds of the United States to such an extent as she may see fit to tender such bonds. That immediately destroys the ability of the United States to sell the British bonds and to get the money, because there are but few private investors who would buy bonds under those conditions, and, indeed, I can not quite ascertain how a transaction could be carried out with the ordinary buyer who might purchase from our Government these British bonds.

Third, Great Britain has the right to defer the payment of one-half of the interest during the first five years; and that destroys the market for these bonds entirely for the first five years, because no man will buy a bond in the market and pay



anything like its face value when he knows that one-half of the interest may be defaulted, or, rather, paid without default, by the giving of new obligations of the British Government.

Fourth, the bonds are rendered nonnegotiable by the clause which provides that the payments may be made not according to the schedule arranged, but that that schedule may be varied at the option of Great Britain, so that she may pay once in three years instead of once each year. That kind of bond, Senators, I am appealing to your business sense, is an absolutely nonmerchantable bond.

Fifth, Great Britain has the option to pay in bonds of the United States. Let us see how that can be easily worked out. For the first 10 years, which is the period of high interest if the world shall settle down as we hope it will, she pays but 3 per cent interest. We are paying approximately  $4\frac{1}{2}$  per cent interest; for there is not a single bond we have out, if we add the expense of its original negotiation, that is not costing us  $4\frac{1}{2}$  per cent, in my humble judgment. I have not the technical figures on it, but I think my assertion will scarcely be challenged. No man with any good sense can claim that we can now, at this time, refund our loans at 3 per cent or  $3\frac{1}{2}$  per cent and obtain par, because to-day only one of our issues, namely, the  $3\frac{1}{2}$  per cent Liberty bonds, is above par, and it is above par only 1.78 per cent. The fourth Liberty  $4\frac{1}{2}$ 's are at par and the Victory  $4\frac{1}{2}$ 's are at 100.20. All the rest of our bonds, bearing these high rates of interest, are to-day below par. So the man with common sense knows that we can not refund our loans to-day at 3 per cent.

What can Great Britain do? She has the option under this contract of postponing her payments for 62 years ultimately, and any time during the 62 years of paying in our bonds. Great Britain, therefore, can go into the bond market of the United States through private agents and can buy the bonds of the United States and collect  $4\frac{1}{2}$  per cent interest from us while she pays us 3 per cent. If you figure the difference in interest at  $1\frac{1}{2}$  per cent on the \$4,600,000,000 of money that Great Britain owes us, you have an annual profit that can be made by that transaction of \$69,000,000, or \$690,000,000 in 10 years of time. Senators may refuse to consider these figures if they see fit.

If the difference is only 1 per cent instead of  $1\frac{1}{2}$  per cent, then by purchasing these bonds Great Britain can save in the first 10 years \$460,000,000. If she takes advantage of a deferment of one-half of her interest during the first 5 years and adds that to the principal she can further increase her savings, because she is still getting 3 per cent on the money and paying us in our interest-bearing obligations on which we must pay her  $4\frac{1}{2}$  per cent to  $4\frac{3}{4}$  per cent. Therefore, out of the transaction the financiers of Great Britain and the British Government, first and last, will save over a billion of money, in my judgment; and we sit here and talk about unanimous-consent agreements and cutting off debate in order that we may deliver the United States bound hand and foot to the British Government!

What are Senators thinking of? This thing has been sugar-coated.

Mr. ASHURST. Mr. President, perhaps Senators are thinking of the way in which they also delivered the Panama Canal to Great Britain.

Mr. REED of Missouri. Very well; that only makes it worse. We are the pitcher and England is the catcher, and she never muffs a ball.

I repeat, what are Senators thinking of when they will even consider a proposition of this kind? I have heard talk—and I had almost characterized it as maudlin talk—about our ability to fund our loan at 3 per cent. How does any man here know that we can fund our loan at 3 per cent? The contract we made with Great Britain was that she should give us bonds bearing the rate of interest we were paying, and that if we had to increase that rate of interest she would give us bonds bearing the higher rate that we were obliged to pay. Two or three gentlemen selected from one political party, tied to this administration, were put on a commission headed by one of the greatest bankers of the United States, one of the greatest in the world, a man against whom I would say nothing personally, but his interests are such that he has no business in the office of Secretary of the Treasury, and he is there in violation of the spirit if not the letter of a statute of the United States.

We are told that this will stabilize business. I deny it. It will stabilize the bond market for those gentlemen who hold the bonds of Great Britain in their vaults, or those gentlemen who have the  $5\frac{1}{2}$  per cent British bonds that are already at 115 in the market. It will stabilize the investment of every gentleman who has put his money in foreign securities. But will it

in the long run stabilize the business interests of this country, aside from these bond speculators, these cormorants who would have put us into 40 leagues of nations, and made us underwrite their obligations in the blood of our boys? Every time the cock on the international weather vane turns his head toward war the credit of America will be jeopardized if Great Britain is our debtor to the extent of \$10,000,000,000. For 62 long, weary years, every time world conditions are disturbed—and Great Britain will be in every disturbance of any importance, as she has been for a century—the credit of the United States will be impaired, because the credit of Great Britain, our debtor to the extent of \$10,000,000,000, will be impaired.

Every time that credit is impaired the cry will go up that the United States must side with Great Britain because we must sustain the credit of our debtor. So this tie, this financial tie, may be used to drag us into future conflicts. I say now, I believe I would rather cancel this debt than unite our interests with the interests of the British Empire in this way for the next 62 years of time; and I am not in favor of any cancellation.

Sixty-two years! It amounts to a practical cancellation of the principal of this debt. If Great Britain were to give us her obligations to pay us  $4\frac{1}{2}$  per cent interest for 62 years, and we were then to cancel this debt, we would have more money than we will have if she pays us 3 per cent interest and pays the debt at the end of the transaction, more money in actual dollars.

Who is there, looking ahead as far as we can look with the eyes of our imagination—and that is all we have to guide us, except the light of history illuminating the future—who is there who can dare to say that, if we make this transaction, long before the period of 62 years has passed, we will not find ourselves in the most serious contest with the British Empire, and that we may even be at war, and if we are at war, we must know that the best weapon of defense and offense is credit. I would rather have the United States without an army and without a navy, or with a small army and navy, and with unimpaired credit and no debt, than to have her with a great army and a great navy, and her credit impaired and immense indebtedness owing by her. If we were to have this conflict which may come with Great Britain, as with any other country—and God knows we hope it will never come—if Great Britain owes us \$5,000,000,000, the moment the war is declared that debt will be gone. We will still owe to our people the \$10,000,000,000 we borrowed to loan to European countries. I have spoken often of \$10,000,000,000. I am speaking of the whole European debt, but in this particular case, of course, the debt is now \$4,600,000,000, in round numbers.

Who will say that such a controversy may not arise? We sit here now singing songs of brotherly love. I hope they may echo through the ages; but this much I know, that the international friend of to-day may be the international enemy of next year. We do not want the enmity of any nation. We will seek to avoid it, but I repeat what I said, who in 1913 would have dared prophesy a war between the United States and Germany? We had been habitually the friend of Germany, and she had been ours, and we had a treaty with Prussia—yes; and with the German Empire—which was the most advanced and most humane touching war conditions that had ever been written. Yet, at the single shot of a cannon, that treaty was dissolved in smoke and ceased to be.

Who would have dared prophesy, as the counsellors of the nations sat about the table at Versailles, that at this hour Great Britain and France would be contending for opposing policies, and that their relations would be strained almost to the breaking point?

Who, surveying the past of our own country, dare write a policy of insurance against any possible conflict with the British Empire? Do you find assurance in the fact that her ports were open during the rebellion to the fitting out of piratical craft to sweep the commerce of America from the seas?

Do you find it, again, when her minister declared, in the Venezuelan controversy, that the Monroe doctrine was not international law, and, in substance and effect, declared it to be a piece of American impudence?

Do you find it in the fact when we sought with our own money to build the Panama Canal that Great Britain exacted onerous conditions from us, burdensome conditions?

Do you find it in the fact that she made a secret treaty with France and with Japan relative to the disposition of the German possessions and concealed that from us at the time we entered the war and thereafter from the knowledge of the President of the United States until the war had been won? It was then disclosed, to his astonishment and, I imagine, to his disgust and dismay.

Do you find it in the fact that Great Britain and Japan cooperated so that Japan took from thirty to forty thousand islands in the North Pacific, under a pretended mandate, which means nothing but eternal occupancy so long as the Japanese Government shall exist and maintain its power? Do you find it in the fact, when the present officers of our Government sought to interpose some objections in regard to that Japanese mandate of eternal possession, that they were obliged to come here with the miserable plea that we could not help ourselves; the work had already been done; and even the little island of Yap, where we had established, or sought to establish, a telegraph station, must come under the banner of Japan?

Again, do you find it in the fact that to-day Great Britain is menacing the peace of the Orient simply because she insists that she will take and hold the most valuable part of Turkey, the oil lands, and that from those oil lands she has excluded American citizens?

Do you find it in the fact that she took under her flag, to hold as a mandate forever, where British law and British authority will be supreme, a territory greater than that over which the banners of the Caesars floated in the flood tide of Rome's greatness?

Do you find it in the fact that she demanded Canada should establish a war fleet, to be maintained in Canadian waters, almost within gunshot of our coast? Do you find it in the fact that she made a similar demand upon Australia—or request, if you please?

Do you find it in the fact that she insistently demands to-day a dominance in the Dardanelles, the last lane and neck of the seven seas not controlled by British cannon, or in the further fact that already her fortresses command those waters?

Do you find it in the historic fact that never has there risen in the last 300 years a trade rival of Great Britain which has not been humbled at the mouths of British cannon?

I do not say these things out of animosity toward Great Britain. I do so as one of the custodians of American interests. However inefficient we may be to fill that high position, it is our solemn duty to bear in mind the lessons of history and the examples of international faith of the distant past and of the near present. Out of those lessons deduce the truth uttered by the great and favorite modern historian of England that the English are the great conquering race.

With that history before us I want no permanent tie with Great Britain except so far as the ties of good fellowship and friendship may go. I want this debt so liquidated that the bonds will not remain for a long time in the Treasury of the United States, that they shall be sold to private investors so that our Government and the British Government shall not be financially intertangled with each other.

Oh, I know that gentlemen just now are singing the praises of the British Empire, that it is fashionable just now to stand upon the housetops and the street corners and praise Great Britain and talk about ties of blood and ties of love. Mr. President, I have not a bit more love for Great Britain than I have for France. I have no more love for Great Britain than I have for Norway or Sweden, Holland, Denmark, or for any civilized country where white people live. I hope the time will soon come when we can feel toward the German people sentiments of kindness, if they will do their duty. But I do not want any of these debts to be governmental debts 10 or 15 or 20 years from now. I want this Government to be discharged of the obligation of a creditor. I want this money as soon as possible gathered into our Treasury by the disposition of the securities and our own bonds to our own people canceled with the proceeds.

How can Great Britain give us that kind of a bond? Should she do it? She has agreed to do it. She has agreed in writing to do it. Her notes of hand are held in the Treasury at the present moment. They bear 5 per cent interest. I am willing to mitigate that interest to the point that will merely recompense us for the interest we must pay on the money which we borrowed to loan to them. Great Britain, as an honest nation, will meet those obligations in a fair way or she will stand before the world guilty of an act of national bankruptcy, and no government has ever stood that was guilty of an act of national bankruptcy. We are not getting favors from England by this deal. They are getting favors from us. We have the right to hold them to the letter of their written agreement, and in so far as we mitigate that letter it is an act of grace upon our part.

Some one has said Great Britain is the only country that has offered to pay, and therefore we should regard her with particular favor. If I have half a dozen debtors and one of them offers to pay he has conferred no favor; he has done simply what he ought to do. The honest man never pleads the

dishonesty of another man as a reason why he should have special favor under such circumstances. It never happened in the history of the world and never will, for such a plea would be the essence of dishonesty itself.

But let us see about the other nations. France, we are told, has not offered to pay. France suffered the brunt of the war. Her finances are disorganized to a large extent. She is endeavoring to collect a huge indemnity. Under those circumstances she has not yet come in any formal way and said she is willing to carry out her agreement. But in what light will France stand before the tribunals of earth or heaven if she shall insist that Germany shall pay her a war indemnity and refuse to pay us the money we loaned her in the hour of her extremity? France can not afford to occupy such a position, and I venture to predict that she will not long occupy it.

Besides, the question arises, What has our own Government been doing to bring the French debt to an issue? I undertake to say that an American Government with a little of the spirit in it that animated our young men when they marched across the fields of France would get a settlement from the French Nation. When the time comes we may give extensions of time on the payments; we may give as low a rate of interest as we can afford to give. I abominate the argument that we should give England specially favorable terms because we have not yet settled with France. What I have said of France can be applied equally to Belgium.

As to the little countries which we helped to create, if they are worthy to stand as nations, if they are to stand as nations, they must meet their obligations in the fair and honest way. Are we to take the ground that we have set up governments of repudiationists? But even if we had, why should we therefore make an improvident bargain with a nation that holds one-quarter of the habitable globe in her grasp and relinquishes not one foot of that territory, a nation which holds that territory for trade purposes?

It is idle to deny the fact that this is the reason why England has extended her conquests so far. In every colony she establishes, in every land she conquers, British merchants enjoy an advantage over the American merchant or the merchant from any other country of earth. This policy has no parallel in history save that of ancient Rome if steadily pursued. We gaze upon it as something that is here, and it is not to be complained of. Then this nation, which boasts that her drumbeat follows the sun in its course around the world and whose armed forces are mustered from the North Pole to the Southern Cross, comes to make a bargain with us, and we deal with her as though she was a bankrupt brother unable to meet her just obligations.

Mr. President, it is perfectly evident to me from the temper of the Senate that this job is going to be put over. We named a commission and wrote the bounds of their authority. They should have submitted no other proposition to Great Britain than that which was contained in the law of Congress. They should have told the British delegates that these "gentlemen from the rural districts" had fixed the bounds and limits of their power. They should have given the British representatives the option of accepting or rejecting. Instead they bring this miserable contract here, and we are now led to believe that in some way we are committed, and all the power and influence of the administration is back of it, just as it was back of the four-power pact that gives to Japan an advantage in the north Pacific that may some day be fatal to our arms.

In the name of God—and I say it reverently—when are we to have an American policy? When are we to have statesmen who have regard for America, as Great Britain has statesmen who have regard for the British Empire, as France has statesmen who think only of la belle France, and as the other countries of the world have statesmen whose prayer at morning and at eventide is for their country? When are we to have statesmen of the George Washington type, who declare for peace and amity with all the world but for an America that prepares to defend her interests and strengthens her arm so that she shall be invincible in the contests of the world?

No nation that ever achieved world greatness has ever fallen save from one of two causes—corruption from within or a failure to keep alive the national spirit and preserve the national manhood. We have the sentiment of internationalism in our country, of "hands across the seas," of "brotherly love," and always when our hand is stretched across it must contain a benefaction. There are no hands reaching from the other side conferring favors and benefits on us.

I do not like to descend into mere slang, but I have heard of what are called "gimme girls," girls who always want something to be given them. They are not a very fine type, and are not representative of American womanhood, of course, but it



seems to me we are playing the international "gimme" game, and we are the ones who are to do the giving.

England wanted the Dardanelles. She has been maneuvering in that direction for 150 years. She rescued Turkey "many a time and oft," because she preferred to have the weak Turk hold the Dardanelles, but when the hour came when she could seize them she has done so. No matter what pretext may be invoked at the end she will dominate the Straits of the Bosphorus.

Who doubts to-day that England sent the Greek Army marching into Turkish territory? And why? Because Greece is Britain's pawn, her proxy in the international game. Who doubts that France, as a counter move, furnished the implements of war to Turkey to hold back the Greeks? Who doubts that plot and counterplot, with all the mazes and circumlocutions and trickery of European and oriental diplomacy, are now in full activity as much so as at any period of the world's history? And, of course, the stronger powers would like to have us come over and settle the difficulty in their favor.

I should like to see an American policy, a policy that proclaims to the world that owes us money, "You are our debtors; come and settle fairly and decently; we will accord you the best terms we have; but if you do not come, you stand as bankrupts in the international court of conscience." I should like to see a National Government that will say something more: "We intend to have our money."

Mr. OWEN. How would the Senator get it?

Mr. REED of Missouri. The Senator from Oklahoma asks me how we would get it. One way we would get it would be by having nerve enough to demand it. I am not one of those who think the United States are an impotent aggregation of mere ciphers. No nation on this earth dare stand out and refuse to meet its obligations to us. If any nation did so, I would collect, sir, just as they have collected from weaker powers. I would not proceed with any haste; I would give time to the limits of reason and beyond. I have in mind some possessions not far from our coast which I think could be taken in about 24 hours. I am not talking of that, and ought not even to have mentioned it, because it is the farthest from my thoughts that such a thing would be necessary; but when the question is put to me, "How would you do it?" I answer, "I would do it the way it has been done by every great power through the flight of all the centuries"; I would insist upon and, if need be, enforce our rights. That will never have to be done, for just as we draw back from any such proposition as that they will draw back from the consequences. I prefer not to discuss that phase of the question, because I insist that our principal debtors are honorable debtors; that Italy will settle, that France will settle, that Belgium will settle, and that the proud British Nation, most puissant of them all, will meet its obligations. I blame no British statesman who can make a contract of this kind for making it. I shall blame, and in my humble judgment the people of this country will blame, this Government if we ever sign this arrangement.

We can do it. We did some things a few months back, and the people had something to say about it at the last election. Go to the people of the United States and say "We had a contract for 5 per cent. We had a contract that the interest on the bonds we take from Great Britain should never be less than the amount of interest we pay ourselves; but we voluntarily changed that contract. We made it one by which the United States may lose billions of money. We gave them a rate of 3 per cent interest and told them they could pay half of it in bonds for the first 10 years if they wanted to, and we are taxing you people to pay 4½ per cent." Go and tell the American citizen that if you want to, Senators. What reason will you give the American citizen for making that kind of a contract? Go and tell him that our obligations mature in a few years and that we extended this one for a period of 62 years. Try to tell the American citizen that we got a bond of this kind from a solvent debtor. Having plead the solvency of that debtor, and the validity of this bond, answer him when he asks you "Why did you not get the same rate of interest we have to pay, when we had the solemn obligation of that country that it would pay that same rate of interest?"

To sum up in a few words what I have to say, you are obtaining a bond that must be held in the Federal Treasury and can not be negotiated, because it is not a merchantable thing. You are obtaining a bond that gives to the British Empire an advantage in the rate of interest of over 1½ per cent, while we must pay that additional 1½ per cent for the very money we handed over to them. You are tying the United States financially to the financial fortunes of the British Empire for a period nearly half as long as this Government has existed. You are giving the British Empire the opportunity, if the

financial market ever swings toward very low rates of interest, to get out at once and to obtain her own money at that low rate and to pick up our higher interest-bearing securities, hold them in her treasury, and make money by that transaction.

Do you not remember that in the early days, before we got into the war, their agents came here, headed by Mr. Hoover, and rigged the markets of America—a fact that was afterwards admitted—in order that they might gain whatever commercial advantages they could? These Englishmen are entitled to admiration for their shrewdness, and they are making a deal now that I warrant you every leading financial mind in Great Britain has mulled over and figured out. If we shall be compelled to continue to pay 4½ per cent interest, then this deal that they have made cancels their debt, because the difference between the rate of interest we pay and the rate they are to pay will in 62 years of time wipe out the principal of the debt.

Would it not be more consistent with British faith if they were to give us their bonds now, bearing interest at the rate we are paying, with an understanding that they could refund those bonds later if we got a lower rate of interest? That would insure us dollar for dollar, which we are entitled to. Would it not be more consistent with good sense if we should try first to see if we could sell our bonds at 3 per cent before we take their bonds at 3 per cent? If we fail to do that, it will be no answer to the Treasury, when the loss will appear, that distinguished Senators upon this floor said they rather guessed we would be able to sell 3 per cent bonds. We can not sell them now. As I have shown, the majority of our bonds are below par to-day, although they bear a rate of interest of 4½ per cent.

This, sirs, is an improvident contract. It is a dangerous contract. I have therefore objected to unanimous-consent agreements that will cut off debate. Let the debate go on. If they want night sessions, we will have to sit up with them, and I think our bivouac will not be any more onerous or any more painful than was that of the sentinels who guarded the line over there. Why the haste? You have waited ever since this money was loaned, and a few hours now will break nobody's heart, unless it be the palpitating and sensitive organ in the breast of the British financier who hopes to make an exceedingly fortunate arrangement for his country. But the propaganda is on. The newspapers have all been one way. If there is anybody in the world that can get wrong with great regularity, it is a newspaper editor who is trying to write on every subject on earth and who is not really acquainted with any subject. Send that down to them, with my compliments. There never was a war fought yet but there was an editor back of every newspaper counter in the country who could tell the general of the army just when and how he ought to move his men. The most luminous book that has been written in half a century is How Private George W. Peck Put Down the Rebellion. It is not only humorous but it is luminous.

The truth is a sentiment was manufactured in this country that we were not going to get our money, and so, with that as a background, they have all rushed in and said, "Here is a chance to get something. For God's sake, let us grab it quick!"

The fact is that if there has ever been written an obligation that binds the faith and credit of a nation, that is based upon good conscience and value received, it is this obligation that was given to enable these countries that stood with the knife of the executioner at their hearts to escape the death stroke. If there was ever a debt that ought to be paid without whimpering and without equivocation, it is the debt that a man incurs for the means to defend his household and protect his home. If there ever was a debt that ought to be paid cheerfully, gladly, and thankfully, it is the international obligation that kept armies of defense in the field, that furnished them the cannon and the munitions of war, that sent them succor when their backs were at the wall, that re-inspired their falling hopes, and that gave to their hands the weapons that made it possible to resist and to strike back.

If it had not been for that money, French troops would not be in the Ruhr Valley to-day exacting indemnities. German troops, under the German Kaiser, would be camped in the capital of France, and French peasants would be working night and day to pay indemnities to Germany, instead of paying a debt to America. England's mighty fleet would not be plying the waters of the seven seas, but would be very likely found sailing under German flags and manned by German seamen. When men stand and prattle about this debt not being a real debt that should be redeemed, I answer that it is a debt of honor, and that upon every bond that may be issued there will be the bloodstains of American boys who put their lives into the balance.



Let them repudiate if they will, but let us ask what is our due. I have no hesitancy in saying they will not repudiate. Do men tell me they can not pay, when their own bonds, bearing a high rate of interest, are selling at \$115 in the market this morning? A bond bearing a high rate of interest is not worth par, no matter what its rate of interest, if it be not a good bond. They have the money to still continue world exploitation. Let a single one of the enslaved peoples dare raise his hand for a government of his own; that hand will be stricken down by a British saber within the flash of an eye. They have the money to hold those people in subjection, countless seething hordes of men and women who have a right to their own government.

They have the money to push forward their conquests. They had the money to enlarge their navy, and were preparing to maintain their dominance upon the ocean at all costs. When they made a bargain with us in the four-power pact, they bargained for and obtained a 25 per cent advantage, a fact I demonstrated upon this floor, and that was denied, but denied from false premises. They have the money. If they are a little pressed to-day, give them time; that is all right. But who dare write a general bill of bankruptcy for the British Empire?

I have said some things here I would not on any account have misunderstood. I am not suggesting trouble with Great Britain. It will not come unless we make it by tying ourselves to Great Britain so closely that our interests and hers become united in a way so that her troubles will drag us into trouble. I am not seeking to disparage the British people, or even the British Government, for the British people, only 38,000,000 of them in the British Isles, have proven their right to a place in the sun by occupying about one-third of the earth's surface. Such a race is not to be spoken of disrespectfully, but such a race can and will meet its obligations of honor and of justice.

So, Mr. President, I have objected and I do object to a unanimous-consent agreement which would cut off this debate. There is no use prolonging the debate interminably. Let whoever has anything to say say it, and when amendments are brought forward let them be open to debate. I expect to offer some, and to urge them with a reasonable degree of earnestness, but I see no reason why we can not come to a vote. But, please God, I wish we were not to do the voting. I wish this could be submitted to the American people and debated for 30 days. In my judgment, if it were, we would hear a storm of protest that would begin at the Pacific Ocean, roar over the Sierra Nevadas, and sweep down into the great central parts of the United States, where it would meet a similar wave of indignation sweeping in from the Atlantic seaboard.

#### THE POWER OF THE STATE LEGISLATURE OVER THE ELECTORAL COLLEGE.

Mr. NORRIS. Mr. President, some days ago I gave notice that I would address the Senate to-day, and I hope that during the time I am making my remarks I may proceed without interruption. I shall be glad at the close of my remarks to answer any questions I am able to answer, if they are propounded.

Mr. President, in this day of advanced civilization, no legitimate excuse can be given for the existence of the Electoral College. The election of a Chief Magistrate of our country through the instrumentality of presidential electors is a relic of monarchical government. It is absolutely contrary to the principle of democracy. A democratic form of government is based on the theory that the people are sufficiently intelligent to select their own rulers. To the extent that this right is denied or circumvented, it is a denial of democracy.

When our forefathers threw off the monarchical yoke and declared themselves free and independent, they took the most advanced step in government that the world had ever known, and yet, to quite an extent, the move was an experiment in government. The founders of our Government were careful lest in taking this step they should go too far afield from the then existing conditions. In their wisdom they declined to take any step that might endanger the stability of the governmental structure which they set up. It was a serious question with them as to just how much power could be delegated directly to the people, and in framing the Constitution which was the result of their deliberate action they were exceedingly careful lest the step which they were taking should be so great as to endanger the permanency of the Government. In the Constitution of the new Government the only place where the people had a direct voice and vote in the selection of those who should govern them was in their right to select by direct vote the Members of the House of Representatives.

The Senate was removed one step from the citizen by providing that the Members of that body should be elected by the State legislatures. The President, the most powerful official of all, the one who had more to do with the making of the laws that should govern the people, and their enforcement, together with the power of selecting the judges who should construe the laws, was to be elected by presidential electors, who, in turn, should be selected in the manner provided by the various State legislatures. Thus it was provided by fundamental law that the people themselves, constituting the new Government, should have no direct voice or vote in the selection of the one official who had more to do with their happiness and destiny than any other. Since our Government was founded the trend has, in accordance with the immutable law of civilization, been in the direction of greater democracy, which always means placing additional power in the hands of the people themselves. Thus we have provided, by an amendment to the Constitution, for the direct election of Senators, and by a system of political practice through the organization of political parties we have, to some extent at least, nullified the provisions of the Constitution providing for the election of President by a college of electors. Presidential electors are selected with an implied agreement of honor that, if elected, they will cast their vote for certain persons for President and Vice President, but the machinery of the Electoral College still remains. It is worse than useless; it stands as an impediment on the road of governmental progress; and it has no more excuse for its existence in a democratic form of government than has the appendix in the human body.

Of course, the only proper way to fully relieve ourselves of this relic of the ancient monarchical system is to amend the Constitution and provide that the people shall have a direct vote in the selection of their Chief Magistrate. This is a slow, tedious, and difficult procedure. I had hoped that an amendment to the Constitution, eliminating the Electoral College, would be submitted by Congress at the present session, but it is now evident that that is impossible, not because Congress would not vote for such a provision if it were brought face to face with the proposition but because with the crowded condition of the calendars of the House and the Senate with many important and necessary matters of legislation it is a physical impossibility within the time of the life of the Congress to bring the matter to a decision.

#### THE CONSTITUTIONAL POWER OF THE STATE LEGISLATURES IN THE PREMISES.

We have lived under this archaic system so long we do not realize that under the Constitution of the United States the State legislatures by a very simple statute could obviate the greater portion of the difficulty. Paragraph 2, section 1, Article II, of the Constitution of the United States provides:

Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors—

And so forth.

It will be observed that this constitutional provision under which our presidential electors are selected gives to the State legislature almost unlimited power in the appointment of such officials. This power, given to the State legislature by the Federal Constitution, can not be in any way interfered with, either by law of Congress or by State constitutional provision. The legislature is supreme. It can not be required to submit the question to a vote of the people. It was not intended by the framers of the Federal Constitution that it should submit the matter to an election. The legislature can make the appointment itself. It can provide for any other manner of appointment. Because the State legislatures were desirous of increasing the power of the people, they have usually provided that these presidential electors shall be selected by a direct vote of the people themselves. This means that the names of the candidates for President and Vice President are not printed on the official ballot, but instead the voter is presented on the ballot with the names of candidates for presidential electors, and he votes for the electors, who, in turn, are pledged to vote for such candidates for President and Vice President as are favored by the voter. The real intent of these provisions made by the various State legislatures is to avoid the technical provisions of the Federal Constitution and to give to the people, as nearly as they can, a direct voice and vote in the selection of President and Vice President. However, under the provision of the Federal Constitution that I have quoted the legislature has the power to provide that the names of the various candidates for President and Vice President shall be printed on the ballot; that the names of the various candidates for presidential electors shall be omitted therefrom; and that presidential electors shall thereupon be appointed who will give



legal effect to the wishes of the voters expressed at the ballot box.

The legislature could provide, for instance, that after the general election it shall be the duty of the governor to appoint presidential electors who will pledge themselves to vote for the candidates for President and Vice President who have received the highest number of votes at the general election just held. They could provide for the appointment of such electors by a committee of the legislature. They could likewise provide that these electors shall be appointed from lists selected by the political party whose candidates for President and Vice President had just carried the State, or they could provide that the electors shall be selected by the candidate for President who had received the highest number of votes for that office at the general election.

It can be said, I know, that the electors thus selected are not legally bound to vote for any particular man for President and Vice President; that as a presidential elector he has a right to exercise the discretion that the Constitution of the United States places in him; and that he is in fact bound only by a pledge of honor which he has a technical, legal right to violate if he chooses.

This is true, but the same objection applies to the presidential electors selected under our present system. A person selected as presidential elector from a State can, if he chooses, vote for any person he pleases for President and Vice President of the United States. His right to do this is preserved by the Constitution of the United States and can not be changed by enactment of law. He is only bound under the present system by a pledge of honor; so that, if this objection be an evil, it is one that already exists and would not be made any greater by the change I have suggested.

A change such as I have outlined would more closely follow the United States constitutional provision in regard to presidential electors than the system which now exists. It will be observed that in the constitutional provision quoted the word "appoint" is used. It was evidently the intention of the framers of the Constitution that the legislatures should adopt some method of appointment of these electors; and while the method adopted by the legislatures is conceded to comply with the Constitution, the one I have outlined is a more literal compliance than the present system providing for the election by the people of the electors.

#### NEBRASKA HAS ADOPTED THE NEW METHOD.

The Legislature of the State of Nebraska has already provided by law for the printing of the names of candidates for President and Vice President on the official ballot and for the appointment of presidential electors by the governor after the election. It is made the duty of the governor to appoint as presidential electors those persons who have been selected by the party whose candidate for President received the highest number of votes at the general presidential election just preceding, and in the last presidential election in that State the voter voted directly for President and Vice President without being confronted on the official ballot with the names of presidential electors.

#### THE SHORT BALLOT.

The change I have suggested would cut down the length of the official ballot at presidential elections from 25 to 80 per cent. I have before me an official ballot used in the State of Pennsylvania in the last presidential election. It contains nearly one square yard of paper. This ballot is so large that it can not be unfolded and spread upon any table or shelf in any voting booth that I have ever been in. It is not only an extravagant and unnecessary use of paper but the expense of printing is enormously increased by its size and its inclusion of several hundred useless names. Its size alone makes it impossible for an ordinary country newspaper to print it. In addition to rendering it impossible for the voter to cast an intelligent ballot, it increases the expense to the taxpayer manifold. This ballot contains the names of 266 candidates for presidential elector. It has also 38 blank places within which names of candidates for presidential elector can be written. If some system of election like I have outlined had been the law in Pennsylvania, instead of 266 names, together with 38 blank places for names, we would have had the names of seven candidates for President and seven candidates for Vice President, together with 14 blank places.

I have before me a copy of the official ballot used in the State of New York in the presidential election of 1916. At that election, in the State of New York there were six political parties entitled to a place on the official ballot. Two of these parties had nominated the same candidates for President and Vice President, so that one set of electors was printed twice upon the ballot. Altogether, there are 270 names of candidates for

presidential elector and 45 blank places. If the New York Legislature had adopted some law similar to the one now on the statute books of Nebraska, instead of this array of candidates there would have been printed the names of five candidates for President and five candidates for Vice President, together with 10 blank places on the ballot. If New York had followed her sister State in the West and had eliminated this worse than useless method, her presidential ballot would have been shortened 94 per cent and in addition the voter would have had the right to vote directly for his choice for President and Vice President. It would be interesting likewise to make a computation and ascertain just how much money would have been saved to the taxpayers of that great State; and if we were to make a computation covering the entire United States, we would be dumfounded and amazed at the great extravagance that this foolish practice entails upon the voters of America.

When we consider that all this is useless and as unnecessary as the fifth wheel of a wagon, we are led to wonder why it is that our State legislatures have not long ago exercised the power given them by the Constitution of the United States to shorten and simplify the ballot, to economize the taxpayers' money, and to give the voter a more easy and direct way of expressing his choice for a Chief Magistrate of his country.

#### THE ONE OBJECTION.

I can conceive of only one possible objection to this suggested change, and that is so unimportant and so easily avoided that it fades into insignificance. The first clause of the twelfth amendment to the Constitution of the United States provides:

The electors shall meet in their respective States and vote by ballot for President and Vice President, one of whom, at least, shall not be an inhabitant of the same State with themselves.

Under this provision, if a candidate for President and a candidate for Vice President should be inhabitants of the same State and they should both carry that State at the November election, the presidential electors of that State would not have the right to vote for both of them. This is true at the present time and under existing conditions. It is a contingency that will in all probability never happen, but since it is a possibility it might be well for the legislatures to make provision for its happening, which they could easily do by providing that in such case the electors should not be bound to vote for the Vice President who had just carried their State, and should either not vote at all for Vice President or should vote for the person having the second highest vote for Vice President. Even if it did happen, it would be extremely improbable that in such a case the result of the election in the entire country would be changed, because this provision prohibiting electors from voting for both President and Vice President who are inhabitants of the same State as themselves would never apply to more than one State in any election. It is not, however, a valid objection to the change I have suggested, because this condition exists under the present system just the same as it would exist under the change I have proposed.

#### THE CHANGE BY THE STATES WOULD BE FOLLOWED BY AN AMENDMENT TO THE FEDERAL CONSTITUTION ABOLISHING THE ELECTORAL COLLEGE.

As before stated, the most desirable thing of all would be an amendment to the Federal Constitution abolishing the electoral college. Experience has shown that this is extremely difficult to bring about, even though a very large majority of the people are in favor of the change. Experience has likewise shown that when the States have, within constitutional limits, circumvented the Federal Constitution by statutory provisions which to some extent nullify the Federal Constitution by indirect means, a change in the Federal Constitution will follow. The amendment providing for the election of United States Senators by a direct vote is a fair illustration. There is no question but that a very large majority of the people were in favor of the direct election of United States Senators, and for a great many years they tried in vain to induce the Congress to submit the necessary proposition to the State legislatures. The State of Oregon finally devised a plan by which the election of United States Senators by the legislature became a mere formality. It provided by law that a candidate for the State legislature should have the right to have printed on the official ballot a pledge which in effect meant that if elected to the State legislature he would vote for the candidate for United States Senator who had received the highest number of votes in the general election just preceding. It was after this law had been in force a short time in Oregon that other States began to enact practically the same provision, and it was not many years until a large number of the States in the Union had by similar provisions practically taken away from the State legislature the right to elect United States Senators. This pledge again



was nothing but a pledge of honor—a promise that had no legal effect, but yet, so far as I know, it was never violated.

Candidates for the State legislature almost invariably gave this pledge. As a rule, they were required to give it in order to be elected. It was a demonstration that the people almost unanimously were in favor of the election of United States Senators by a direct vote. Candidates who had carried their respective States were often elected to the United States Senate by a legislature that was largely composed of members of the opposite political faith. A way had been found to give to the people more direct power in the selection of their lawmakers. It was a step of progress toward greater democracy in government.

THE RIGHT OF THE PEOPLE TO VOTE DIRECTLY FOR THEIR OFFICIALS IS FUNDAMENTAL IN A DEMOCRACY.

The Electoral College is useless. It is unnecessary. It is expensive. It is a denial of the freedom of the citizen to have a direct voice in the selection of the Chief Magistrate of his country. It would seem, therefore, to be the part of wisdom for a State legislature to go as far as it can within constitutional limits to abolish the system. But while these reasons are sufficient to induce the legislature to take such action, it must also be remembered that the Electoral College results in the denial of the freedom of the citizen in a fundamental way. In a country that is wholly free no handicap, either direct or indirect, can be placed upon the right of the voter to vote as he pleases. This fundamental right is protected in every State in the Union by providing on the official ballot for as many blank places in which the voter can write the names of those he prefers as there are places to be filled. It will be observed that in every State where the voter is allowed to vote for presidential electors, there are as many blank places on the ballot as there are electors to be elected. This is done in order to preserve this fundamental right, but in this case it does not do it.

The office to be filled is the office of President, but the official to be elected is a presidential elector, and this right is not protected by providing for blank places in which the voter can write the names of presidential electors. Nobody cares who the presidential electors are. The offices to be filled are those of President and Vice President, and while the ballot complies technically with the theory that the voter shall be free to vote for whomsoever he pleases, for practical purposes it is no such thing. What State in the Union would submit to a provision by which the governor and the lieutenant governor would be elected by a system of electors? How long would the citizens of any State stand for such an indirect method? How soon would there be an uprising of the people in the State if such a law prevailed, demanding that their fundamental right to vote directly for the executive officer of the State should be protected? And yet, during the lifetime of all those who live, such an ancient method has been in existence for electing the President of the United States. The citizenship of America has been compelled to submit for more than a generation to a system of electing President and Vice President that could not stand for a day if applied to the various States.

If we vote directly for a governor and a lieutenant governor, why for the same reason should we not be allowed to vote directly for President and Vice President? There is no officer under our Government so important as President. He has both a legislative and an executive function. Even in his legislative capacity he is more powerful than either the Senate or the House. By virtue of the power given him to appoint all the appointive officials of the United States, he is able very often to have a commanding and dominating influence in legislative matters. He is supreme in appointments. He is supreme in his executive capacity. He possesses the power to appoint all the judges who construe all the laws applying to every citizen in the country.

The power of all other governmental functions combined is not as great as that possessed by the President, and yet the citizens of this great country do not have a direct voice in his selection. His influence over the destiny and the happiness of the citizen is much greater than that of the governor of any State, and, while we would not submit to any provision for the election of a governor by indirect means, we are compelled on account of the existence of the Electoral College to be deprived of this right in the most important office of all.

THE ELECTORAL COLLEGE DENIES STILL ANOTHER FUNDAMENTAL RIGHT.

Every State in the Union provides for some method by which independent candidates for office can have their names printed upon the official ballot. This is another right fundamental in every democracy. If political conventions pay no heed to the wishes of the rank and file of the voters in the nomination of a Senator, a Representative in Congress, a governor, or any other elective official and nominate on both dominant tickets candi-

dates who are unsatisfactory to the citizenship, a method is provided by which the electorate can nullify such nominations and elect an independent candidate for the office to be filled.

No such thing can be done when it comes to filling the office of President and Vice President of the United States. The Electoral College stands in the way. In order to be an independent candidate for President, it would be necessary to organize a new political party and complete an organization in every congressional district in the United States, and even then, when the voter went into the booth, he would not see printed on the ballot the name of his candidate for President. He would be presented only with the names of a lot of unknown people running for the office of presidential electors. He would be lost in a maze of candidates and by a multitudinous list of the names of unknown people. If it were not for the Electoral College, he would have before him the names of all candidates, occupying but a few inches of space, and would have no difficulty whatever in voting for the candidate of his choice.

It is no answer to say that the man could vote blindly for a party. We are all more or less partisan. We have grown up amidst the glamour and the glow of partisanship, but however partisan we may be, if we are also fair and desire to protect inviolate the freedom of the citizen, we must preserve by law the right of the independent voter to have an opportunity to express his will and to have his wish considered and given full weight. We should not permit our partisanship to defeat our fairness, because if we do we will in the end, together with all our fellow citizens, suffer for such conduct. The will of the people can not be expressed in law unless the right of all the people, regardless of politics, is fully protected and preserved.

There is no practical way under existing conditions for anyone to be an independent candidate for President. To organize a new party after the national conventions have completed their work, and do it before election, is not only an extremely difficult thing but it is exceedingly expensive. It can not be done without the expenditure of enormous amounts of money. The result is that the voter, when he would vote for President and Vice President, is confined in his choice to the nominees of the two dominant political parties. It is often a choice between two evils. He is curtailed in his right of suffrage just as fully and as completely as though this curtailment were definitely written into the Constitution of the United States. There is no escape. When the national political conventions have adjourned, whatever may have been the result of their work, the election of a President is confined to two men. The political machinery of a great national party is so great that it is within the power of those who control this machinery to control the action of the national convention. Nothing short of a political revolution within the party could prevent it, and even then those who control the national committee by their arbitrary action can make up the temporary roll of a convention, and thus by arbitrary means defy the will and the wish of the rank and file of the party.

Within the memory of all of us we have seen national conventions of both of the great political parties, controlled and dominated by the bosses and the self-appointed alleged political party leaders, without any consideration being given to the millions of voters who constitute the party. This ought not be possible in a free country. This would not be possible if it were not for the existence of the Electoral College, which makes it a practical impossibility for anyone to become an independent candidate for President. It does not necessarily follow, if the Electoral College were abolished, that there would be independent candidates for President.

The very fact that an avenue existed by which the people could overthrow the national convention would cause these conventions to hesitate before they made nominations that they knew were obnoxious to the citizenship generally. It is because they know that when the conventions are over, the people are thus limited in the selection of their Chief Magistrate, that they abuse the power and authority in their hands and disregard the wishes of the people. If they knew that their work in the national convention was not the last word, and that they were not thus supreme in their action, they would exercise more care and pay more heed to the public. The power of the political machine and the political bosses would to a great extent be nullified and there would be a way by which the voice of the people could be heard and heeded, regardless of machines and bosses. The policeman on the corner, by his very presence, saves the store from robbery. As long as he is at his post no robbery takes place, but when he is removed the protection thus afforded is gone. While he is there the safety of the store is made secure. His very presence prevents crime. If this right of independent action existed, the very fact of its existence would purify our politics and give us a Chief Executive more in touch with the common people.



THERE IS NO EXCUSE FOR THE EXISTENCE OF THE ELECTORAL COLLEGE.

The Electoral College can not be defended. The only result of its existence is to increase the power of the comparatively few men who control national conventions. These men are not necessarily those who appear as delegates. The delegates are often only pawns, moved at will by the secret influence of selfish men and combinations of wealth whose identity does not appear on the surface. They make their investments in national conventions and receive their reward in national legislation. Their influence is apparent, but their identity is concealed. When they control both national conventions their work is complete. They must contribute to both sides in order that the party spirit may be kept alive and the millions of voters be kept active in a sham battle, while the real perpetrators of the fraud are laughing behind the scenes. The machinery is oiled by those who are to be the beneficiaries, while the party spirit is cultivated in the rank and file to such an extent that the voter really imagines that he is having something to say about the destiny of his country. In the end the bills are paid by the weary taxpayer who has been induced to furnish the enthusiasm and do the shouting for his own undoing.

Mr. President, I now yield to the Senator from New York.

Mr. CALDER. Mr. President, the Senator in his remarks subsequent to my interruption developed the matter about which I wished to inquire. I wanted to ask him if, under the Nebraska law, a voter can vote for a candidate of one party for President and a candidate of another party for Vice President—in other words, whether he can vote for the individual?

Mr. NORRIS. Yes, sir; he can do that.

Mr. CALDER. And then the elector who was appointed by the governor after the election would, of course, be expected to vote for the candidate who received the majority of the votes of that State?

Mr. NORRIS. Yes.

Mr. CALDER. And that elector might vote for a man of one party for President and a man of another party for Vice President?

Mr. NORRIS. The voter might; so might the elector.

Mr. CALDER. The Senator displayed the ballot of New York State.

Mr. NORRIS. Yes.

Mr. CALDER. As I recall, it had printed at the top of the electoral column the names of the candidates for President and Vice President; did it not?

Mr. NORRIS. Yes. I will say to the Senator from New York that while I am not familiar with the practice—and the Senator from New York will correct me if I am wrong about it—I fancy that in the State of New York at presidential elections there is a separate ballot box for the votes for presidential electors.

Mr. CALDER. Yes.

Mr. NORRIS. And they have found it necessary to do that, I suppose, on account of the size of the ballots?

Mr. CALDER. Yes.

Mr. NORRIS. So that a voter in that State in presidential elections has two ballots given him, one for State officers and Members of the House of Representatives and Senate—

Mr. CALDER. And local officers; county and city officers.

Mr. NORRIS. And another one, such as I hold in my hand here, that contains nothing on earth but the names of presidential electors and other party insignia that is printed on it.

Mr. CALDER. And, as the Senator probably meant to convey the idea, we are compelled to have these two ballots because of the great number of presidential electors.

Mr. NORRIS. That is the point exactly. The Senator has hit the nail right on the head.

Mr. CALDER. And I have observed, in analyzing election returns, that when our voters go to the polling places and are handed the two ballots about 10 to 15 per cent of them do not vote for anyone except presidential electors. They think when they have put that mark at the top in the circle that they have voted for the whole ticket.

Mr. NORRIS. Yes; and, as a matter of fact, they have not.

Mr. CALDER. They have not. As I say, there are 10 to 15 per cent of them.

Mr. NORRIS. I do not suppose that the Senator from New York can give us any information now, for instance, as to how much additional expense to the taxpayers of New York is involved on account of having two ballot boxes and two complete sets of machinery there?

Mr. CALDER. I can not say. I know that it runs into the tens of thousands of dollars, of course.

Mr. NORRIS. Yes; it would be a great amount.

Mr. WILLIS. Mr. President, will the Senator from Nebraska permit me to ask the Senator from New York a question?

Mr. NORRIS. Yes; I yield to the Senator.

Mr. WILLIS. I want to be sure that I understood the statement made by the Senator from New York. Did I correctly understand him to say that under the law of his State, if the voter makes a cross mark in the circle here, he does not vote the whole ticket?

Mr. CALDER. Oh, yes; he votes for all of the electors.

Mr. NORRIS. On that ticket?

Mr. CALDER. On that ticket.

Mr. WILLIS. But under the law in the Senator's State there is a separate ticket—

Mr. CALDER. A separate ticket for a presidential year.

Mr. NORRIS. They have a separate ticket for the governor and other officers and a separate ballot box.

Mr. WILLIS. There are two ballot boxes?

Mr. CALDER. Yes, sir; and the voter, by placing one mark in the circle, votes for all of the electors; but he can, as the ballot indicates, vote for the electors in the different columns.

Mr. NORRIS. Yes; and there are as many blank spaces on the ballot as there are electors?

Mr. CALDER. Yes.

Mr. NORRIS. In the case of the Senator's State it was 45?

Mr. CALDER. Yes.

Mr. NORRIS. Now, the object of that is purely technical.

Mr. CALDER. Yes.

Mr. NORRIS. But, fundamentally, the object of that is to reserve to the voter the right to vote as he pleases. Of course an intelligent voter voting for presidential electors would vote in the circle, because he does not care anything about the electors. It is the fellow that they are going to vote for that he is for; and yet we go through the foolish formality of giving him an opportunity—which we must do if he is free—to go down the list and vote for 45 men, or he can vote for 40 men and write 5 more names over here, or he can write 45 names over here; so we just go through the formality of preserving what is conceded to be a technical right.

As a matter of fact, so far as presidential electors are concerned, there is not anything to it. The real protection he ought to have is this: He ought to be permitted, if he wants to do so, to vote for a Republican candidate, let us say, for President and a Democratic candidate for Vice President. There is not a State in the Union that would pass a law that would say—and the people of no State would stand for it—that "we will not allow a voter to vote for a man of one political party for one office and a man of a different political belief for another office."

Mr. CALDER. As for governor and lieutenant governor?

Mr. NORRIS. As for governor and lieutenant governor; but when it comes to voting for President and Vice President that is true now, and there is not any way to get around it.

Mr. CALDER. That is right.

Mr. NORRIS. Because you vote for an elector—we will say that he is one of the Republican electors—and if he is elected he is going to vote for the Republican candidate for President and the Republican candidate for Vice President.

Mr. CALDER. He can not do otherwise.

Mr. NORRIS. Exactly. The voter is absolutely denied the right to vote for one man on one ticket and another man on another ticket.

Mr. WILLIS. Mr. President, may I ask the Senator another question?

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. WILLIS. The Senator knows that I am in sympathy with the general proposition he advocates. The electoral system broke down the first time it was ever used, and has never functioned as it was intended to function. What I want to ask the Senator is this: Does he know from his examination how many of the States in the Union provide headings such as are provided here?

Mr. NORRIS. No; I do not.

Mr. WILLIS. I know that in my own State we have a similar arrangement; that is, the name of the candidate for the Presidency and the name of the candidate for the Vice Presidency appear at the head of the list, so that there is no confusion in those States. While I am in favor of the proposition that the Senator advocates, there is no confusion growing out of the number of electors, because they are identified here by the name of the candidate.

Mr. NORRIS. Oh, yes; the intelligent voter will make only one cross, of course, for the presidential electors. He will vote in the circle. That is true. That does not, however, do away with the fact that, for instance, at the last presidential election if a man wanted to vote for Vice President on one ticket and President on another he could not do it.

Mr. WILLIS. Oh, absolutely not. There is no way in which he could do it at all.

Mr. NORRIS. There is only one State in the Union that I know of where he could do that, and that is my own State.

Mr. WILLIS. I did not hear all of the Senator's remarks. Did he explain that in his remarks?

Mr. NORRIS. Yes.

Mr. WILLIS. I did not know that there was any State where that could be done.

Mr. NORRIS. Yes; the State of Nebraska provides for the printing of the names of the candidates themselves on the ballot and for the appointment of presidential electors after election. In Nebraska it is provided that the governor shall appoint as electors those people who were selected by the party whose candidate for President carried the election.

Mr. WILLIS. How does the law of the Senator's State meet the provision in the Constitution which provides that the electors shall cast their ballots for President and Vice President, one of whom, at least, shall not be an inhabitant of the same State with themselves?

Mr. NORRIS. I explained that, too.

Mr. WILLIS. Very well; I will get that in the Senator's speech.

Mr. NORRIS. That is true now.

Mr. WILLIS. There is nothing new in that?

Mr. NORRIS. There is nothing new in that. In other words, we can not by a State enactment change the Constitution of the United States. The only reason why the legislature can select any method it pleases is because the language in the Constitution is as broad as it can be made. I want to read that again for the Senator:

Each State shall appoint—

Now, listen to that; it is "appoint," not "elect"—

Each State shall appoint, in such manner as the legislature thereof may direct—

So they can select any man they want to.

Mr. WILLIS. Of course, the Senator knows that for many years the legislatures did choose the electors.

Mr. NORRIS. Oh, yes. That was quite common years ago.

#### PERMANENT COURT OF INTERNATIONAL JUSTICE.

Mr. SHEPPARD. Mr. President, to-day—February 15, 1923—is the first anniversary of the founding of the Court of International Justice, perhaps the greatest achievement of the League of Nations. I had intended to signalize that anniversary, in so far as I might be able to do so, by continuing the account of the work of the League of Nations which I gave the Senate on October 5, 1921. I do not desire, however, to interfere with the disposition of the pending measure and shall defer my remarks until it shall have been disposed of.

Mr. SMOOT. I thank the Senator from Texas.

#### ADDITIONAL JUDGES FOR DISTRICT OF COLUMBIA.

Mr. DIAL. Mr. President, there has been brought to my attention the lax enforcement of the prohibition law in the District of Columbia. My information is that since the 1st of January there have been something like 200 arrests, and that the courts try only a very few cases a week; that the defendants give bond, and before the trial can ever be had the witnesses disperse, perhaps die, or go away and can not be had.

I am told that we need more judges in the District. I am thoroughly in favor of economy, but I fear that the present condition is one of false economy, and I trust that the Judiciary Committee or the Committee on the District of Columbia will look into this matter and if necessary give the people of Washington another judge. We can not have respect for law unless we enforce the law.

The dockets of the courts are crowded, and I understand a year or two behind in their calendars. I feel that people who break the law ought to be made to bear the expenses of enforcing the law. I do not want to be cruel to offenders, but they should be taught to obey the law, and if they willfully go and violate it, then they should be punished, and punished rapidly. They are entitled under the Constitution to a quick trial, and that should be had.

The business of this country is growing, the population here is increasing very rapidly, and these people do not have a vote. I would not vote to give them a vote, but it behooves us to look after their interests carefully, and to see that justice is done. The nonenforcement of the law here is deplorable. I do not know any city in the world that I have read about where there is as much lawlessness, according to the population, as there is in Washington. I believe one of the reasons is that offenders are not punished, and I think there should be another judge.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House insisted upon its amendment to the amendment of the Senate No. 124 to the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the Senate; agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CRAMTON, Mr. EVANS, and Mr. JOHNSON of Kentucky were appointed managers on the part of the House at the further conference.

The message also announced that the House had adopted a concurrent resolution (H. Con. Res. 84) authorizing the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate No. 124 to House bill 13660, the District of Columbia appropriation bill, to strike certain language from said amendment, in which it requested the concurrence of the Senate.

#### ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills:

S. 2531. An act to create a board of accountancy for the District of Columbia, and for other purposes; and

S. 3169. An act to equalize pensions of retired policemen and firemen of the District of Columbia, and for other purposes.

#### AMENDMENT OF WAREHOUSE ACT.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 3220) to amend sections 2, 5, 11, 12, 15, 19, 29, and 30 of the United States warehouse act, approved August 11, 1916, which were on page 2, after line 10, to insert:

That section 6 of the United States warehouse act, approved August 11, 1916, is amended to read as follows:

"Sec. 6. That each warehouseman applying for a license to conduct a warehouse in accordance with this act shall, as a condition to the granting thereof, execute and file with the Secretary of Agriculture a good and sufficient bond to the United States to secure the faithful performance of his obligations as a warehouseman under the laws of the State, District, or Territory in which he is conducting such warehouse, as well as under the terms of this act and the rules and regulations prescribed hereunder, and of such additional obligations as a warehouseman as may be assumed by him under contracts with the respective depositors of agricultural products in such warehouse. Said bond shall be in such form and amount, shall have such surety or sureties, subject to service of process in suits on the bond within the State, District, or Territory in which the warehouse is located, and shall contain such terms and conditions as the Secretary of Agriculture may prescribe to carry out the purposes of this act, and may, in the discretion of the Secretary of Agriculture, include the requirements of fire insurance. Whenever the Secretary of Agriculture shall determine that a bond approved by him is, or for any cause has become, insufficient, he may require an additional bond or bonds to be given by the warehouseman concerned, conforming with the requirements of this section, and unless the same be given within the time fixed by a written demand therefor the license of such warehouseman may be suspended or revoked."

And on page 3, after line 24, to insert:

That section 18 of the United States warehouse act, approved August 11, 1916, is amended to read as follows:

"Sec. 18. That every receipt issued for agricultural products stored in a warehouse licensed under this act shall embody within its written or printed terms (a) the location of the warehouse in which the agricultural products are stored; (b) the date of issue of the receipt; (c) the consecutive number of the receipt; (d) a statement whether the agricultural products received will be delivered to the bearer, to a specified person, or to a specified person or his order; (e) the rate of storage charges; (f) a description of the agricultural products received, showing the quantity thereof, or, in case of agricultural products customarily put up in bales or packages, a description of such bales or packages by marks, numbers, or other means of identification and the weight of such bales or packages; (g) the grade or other class of the agricultural products received and the standard or description in accordance with which such classification has been made: *Provided*, That such grade or other class shall be stated according to the official standard of the United States applicable to such agricultural products as the same may be fixed and promulgated under authority of law: *Provided further*, That until such official standards of the United States for any agricultural product or products have been fixed and promulgated, the grade or other class thereof may be stated in accordance with any recognized standard or in accordance with such rules and regulations not inconsistent herewith as may be prescribed by the Secretary of Agriculture; (h) a statement that the receipt is issued subject to the United States warehouse act and the rules and regulations prescribed thereunder; (i) if the receipt be issued for agricultural products of which the warehouseman is owner, either solely or jointly with others, the fact of such ownership; (j) a statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien: *Provided*, That if the precise amount of such advances made or of such liabilities incurred be at the time of the issue of the receipt unknown to the warehouseman or his agent who issues it, a statement of the fact that advances have been made or liabilities incurred and the purpose thereof shall be sufficient; (k) such other terms and conditions within the limitations of this act as may be required by the Secretary of Agriculture; and (l) the signature of the warehouseman, which may be made by his authorized agent: *Provided*, That unless otherwise required by the law of the State in



which the warehouse is located, when requested by the depositor of other than fungible agricultural products, a receipt omitting compliance with subdivision (g) of this section may be issued: *Provided, however, The Secretary of Agriculture may in his discretion require that such receipt have plainly and conspicuously embodied in its written or printed terms a provision that such receipt is not negotiable.*

Mr. HARRIS. I move that the Senate concur in the House amendments.

The motion was agreed to.

#### DISTRICT OF COLUMBIA APPROPRIATIONS.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution No. 84, which will be read.

The Assistant Secretary read as follows:

*Resolved by the House of Representatives (the Senate concurring), That the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate No. 124 to the bill (H. R. 13660) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes," be authorized to agree to striking out the following language from said amendment: "at the Virginia end of the Key Bridge."*

Mr. PHIPPS. Mr. President, I ask unanimous consent for the immediate consideration of the concurrent resolution.

The concurrent resolution was considered by unanimous consent and agreed to.

#### PURCHASE OF GRAIN FOR SEED PURPOSES.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Assistant Secretary read the message, as follows:

*To the Senate:*

In compliance with the resolution of the Senate (the House of Representatives concurring), I return herewith S. 2023, entitled "An act defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, and for other purposes."

WARREN G. HARDING.

THE WHITE HOUSE, February 15, 1923.

Mr. CURTIS. Mr. President, I submit the concurrent resolution which I send to the desk, and I shall ask unanimous consent for its immediate consideration and adoption.

I may state that all it proposes to do is to write into the bill which has just been returned by the President specific reference to the two years, which reference by mistake was left out in the bill as it passed Congress. The resolution provides for the insertion in the bill as it passed both Houses of the words "in the years 1918 and 1919." Those are the years for which the loans for the purchase of seed were made, and, as I have stated, reference to them was left out by mistake.

Mr. WALSH of Montana. That is the bill which the President has returned to Congress?

Mr. ROBINSON. What is the purpose of the bill?

Mr. CURTIS. The bill passed the House of Representatives and the Senate with an error omitting reference to the two years to which the legislation was intended to apply, but the mistake was not discovered until the bill had reached the hands of the President.

Mr. ROBINSON. What was the nature of the bill?

Mr. CURTIS. The bill relates to the loans which were made to farmers to purchase seed wheat in 1918 and 1919.

Mr. ROBINSON. It is now proposed by the concurrent resolution to incorporate a reference to those two years?

Mr. CURTIS. The purpose is to specifically mention those two years in the bill. The bill was unanimously reported from the committee; and as I have stated, it passed the House of Representatives and the Senate.

Mr. WALSH of Montana. Does the Senator from Kansas offer an amendment to the bill?

Mr. CURTIS. I have submitted a concurrent resolution authorizing the enrolling clerk to correct the error and to write in the two years.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution submitted by the Senator from Kansas?

The resolution (S. Con. Res. 40) was read, considered by unanimous consent, and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and of the President of the Senate in signing the enrolled bill (S. 2023) defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, and for other purposes, be rescinded, and that the Secretary be authorized and directed to re-enroll the bill with the following amendments:*

On page 1, line 6, after the words "United States," insert "in the years 1918 and 1919."

Amend the title so as to read: "An act defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States in the years 1918 and 1919 for the purchase of wheat, rye, or oats for seed, and for other purposes."

#### WORLD WAR FOREIGN DEBT SETTLEMENT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922.

Mr. OWEN. Mr. President, I wish to take only a few moments time to express my dissent at the criticism of Great Britain on this floor, and the statement of the Senator from Missouri intimating that the United States would be justified in using force and violence to collect the debt from Great Britain. I do not wish to discuss the suggestion at any length at all. I merely wish to express my earnest dissent from sentiments of that nature being made on the floor of the United States Senate, because I think it is mischievous and harmful in our international relationships that in this body, without dissent, such sentiments should be expressed on the floor.

Of course, I do not take it very seriously, and I do not suppose the world will take it very seriously; but I think it is far better, in speaking of our relations with foreign nations, to be exceedingly temperate and careful in our expressions. I have never been willing to speak unkindly of distant Japan as a country, for instance. I believe that all the nations of the world are governed according to their environment, according to their lights, and that their statesmen are doing approximately about the best they know how. Nevertheless, they are led into war by the imprudence of human leadership, due to the frailty of judgment of men in high places.

I think it proper to observe that even in dealing with private persons the collection of debts by brute force is no longer lawful or regarded as a civilized process. It no longer meets the moral sense of mankind to incarcerate an individual for debt, for instance. It is now unlawful in civilized countries to imprison for debt. It is no longer regarded as justified to take from a man his liberty because he is unable to pay a commercial obligation, much less the liberty of a nation because it can not meet a commercial obligation; and it was my objection to the principle of using brute force to collect a debt which led me, among many others, to express my dissent from the attitude of the French leadership in going into the Ruhr and using force and violence and using whips on the citizens in the streets as a means of collecting a national commercial debt.

In my judgment, they will not collect the debt in that way. What they will collect will be a harvest of hate, which will not only not liquidate the commercial debt but may impose other debts still more serious upon both the German and the French people. Such a policy seems deplorable. It affects our interest as world citizens, and I vigorously protest against it as a remedy worse than the disease.

Without intending to refer to Europe at all, I am in sympathy with the resolution offered by the Senator from Idaho [Mr. BORAH] declaring that the making of war shall be an international high crime. The individuals who are responsible for the making of war ought to be held to a personal accountability. I should not think it necessary to impose the death penalty upon them for their lack of understanding, of wisdom, of honesty, of good will in bringing on war, because men do those things without knowing very well where they are going, but I think a long-time incarceration of such persons would be entirely justified, in order that by that example—depriving them of personal liberty—other leaders of mankind would be warned against bringing upon the innocent people of the world the bloodshed and losses inflicted by war.

The Senator from Missouri [Mr. REED] seemed to think that it was highly advantageous that we should have a high rate of interest in settling with Great Britain. I think a low rate of interest is better for the world, not only in settling this debt, but I think that as a standard there ought to be a low rate. I remind the Senate that before the war our 2 per cent bonds were selling at par. They did have the currency privilege, but now all bonds, in effect, have the currency privilege in a way, because they are used as a means of getting currency. Our 3 per cent bonds, without the currency privilege, were above par before the war, and while we have now a current rate of 5 per cent on call loans in New York, that is because the rate on call loans in New York is arbitrarily fixed by half a dozen men who sit around a table and in the morning fix the rate for the day.

Mr. BORAH. Mr. President—

Mr. OWEN. Just a moment. That is an arbitrary matter, while in London, where they have not this system of arbitrarily fixing the rate of interest on call loans and do have competition for call-loan money, the rate to-day is  $1\frac{1}{2}$  per cent, and has been running along between  $1\frac{1}{2}$  and 2 per cent. I read from this morning's New York World, for instance, this statement of the London money market:

Money was loaned at  $1\frac{1}{2}$  per cent. Discount rates were short and three-month bills,  $2\frac{1}{2}$  per cent.

Mr. SMOOT. I think that is call money.

Mr. OWEN. The latter is the discount rate for 90 days.

Mr. SMOOT. But the  $1\frac{1}{2}$  per cent is for call money.

Mr. OWEN. Yes; that is for call money. In London they have a settlement every two weeks of these loans on exchange collaterals, so that they have a system under which the debtor is not required to liquidate within 24 hours. The consequence is that they can afford to give a better rate than where the man may be called on at any time to settle and liquidate. We could have the same low rate in America if the United States Government and the State governments would exercise their proper functions in supervision of these great money markets, and without interfering with any of their legitimate business, without interfering with their great purpose to be a market where stocks and bonds are bought and sold according to the value. Now I yield to the Senator from Idaho.

Mr. BORAH. I wanted to ask the Senator a question, but perhaps I can do it later, if we have the time.

Mr. OWEN. I am quite willing to have the Senator ask me now.

Mr. BORAH. I want the view of the Senator as to the advantage either to the United States or to Great Britain of this clause, and why, therefore, it is inserted:

Any payment of interest or of principal may be made in any United States Government bonds issued since April 6, 1917, such bonds to be taken at par and accrued interest.

What was the financial reason, from a business standpoint, for inserting that clause?

Mr. OWEN. I do not know what the history of it is, but it is perfectly obvious that if our indebtedness is liquidated that is all we need to ask. There might perhaps be some advantage, if our securities should go under par, in having the British Government become the buyer of those securities, for if it should it would bring them back to par, and it would help our credit. I do not see any harm in this at all.

Mr. BORAH. Could it be of any possible advantage, unless one of two things should happen—either that the Government bonds had already been purchased by the agents of the creditor governments at from 92 to 94, or that hereafter the bonds should go down and they should have the opportunity to purchase them? What advantage could be derived from it, except something of that kind?

Mr. SMOOT. Mr. President, there could be no advantage if they had already bought the bonds, because they could sell them at par, so that there would be no advantage in the provision in that respect. Of course, if they went below par, if there could be such a thing—and I grant that there could be—the credit of England would be affected just the same as our credit would be. What we want, and what the contract we made with the people provided, I might say, was that when this money loaned England and other countries was paid it would go toward paying the obligations of the Government of the United States, and as long as they are drawing now  $4\frac{1}{2}$  per cent, your commission thought our people would be very much gratified to receive such bonds at par and accrued interest and cancel that many of their bonds.

Mr. BORAH. Mr. President, there would be no advantage to the British Government in going into the market and purchasing bonds at par and paying with bonds instead of cash.

Mr. SMOOT. This is the advantage there would be, and I might just as well state it now—

Mr. BORAH. I wish the Senator would.

Mr. SMOOT. If the Senator from Oklahoma does not object, I will state it.

Mr. OWEN. I would be glad to have the Senator make a statement in regard to the matter.

Mr. SMOOT. Payments on account of the principal may be made in three-year periods. That is because of the fact that there may be a year or two years in which the balance of trade against England, we will say, would be so great that she could not pay us; but we refused to allow the settlement to go beyond the three-year period. We provide that in the payment at the end of any three-year period there shall be included the total of all of the payments due during the three years, with interest upon the deferred amounts. If during the first year England

did not have an amount sufficient to pay any money, and the payment of it would involve the question of exchange between the two countries, if she had only part of the money, she could pay us in our bonds, together with what little interest may be collected on those bonds in that time, and that would assist her when she did have money enough to pay in the three-year period, if she took advantage of it, and offset the interest she would be compelled to pay us on those deferred payments. It is nothing more nor less than a fair business proposition between two honorable nations, and I can not see any reason why we should not do it. We want those bonds paid.

Mr. BORAH. Want what bonds paid?

Mr. SMOOT. We want our bonds paid.

Mr. BORAH. We will take care of our bonds.

Mr. SMOOT. We will take care of them by the payment of a number of the bonds with the money we receive from the English bonds that we will take from her.

Mr. BORAH. At whose suggestion was this clause put in the contract, that England might pay in our bonds?

Mr. SMOOT. England asked the privilege of doing that.

Mr. BORAH. Did she state the reason why she wanted that put in?

Mr. SMOOT. I stated the reason why.

Mr. BORAH. Was that the reason she gave?

Mr. SMOOT. That is the reason she gave.

Mr. HITCHCOCK. Will the Senator from Oklahoma permit me to ask a question of the Senator from Utah?

Mr. OWEN. I yield to the Senator.

Mr. HITCHCOCK. The Senator from Utah thinks there is no probability that Great Britain has already purchased a considerable quantity of our bonds, because she would have no interest in holding them to pay upon the principal of her debt, for the reason that many of them are at par now; but, conceding that she has already purchased a large quantity of these bonds on a depreciated market, it might be quite possible that she could not throw them on the market again without depreciating them below what they are at present, but she could turn them in to the Government of the United States at par.

Mr. SMOOT. If she threw them on the market, as the Senator suggests, if she had them in sufficiently large quantities, it might bear the market of the bonds for a little while, but it could not possibly bear the market to any extent. We buy those bonds for our sinking fund. As the Senator said, if England purchases the bonds it will increase the value of the bonds. There is no question at all about that.

Mr. OWEN. If England came in as a buyer of the bonds, it would make the bonds go back to par.

Mr. SMOOT. As to whether she has bought the bonds, I can not say.

Mr. OWEN. It is altogether improbable.

Mr. SMOOT. I doubt that she has. Why should she buy a bond bearing  $4\frac{1}{2}$  per cent interest and still be paying upon her own obligations  $5\frac{1}{2}$  per cent? If I were representing England, and I think if the Senator were representing England and was responsible for the finances of that country, if we should buy our own obligation drawing interest at  $5\frac{1}{2}$  per cent and redeem that obligation, we never would put our money into  $4\frac{1}{2}$  per cent bonds.

Mr. HITCHCOCK. That seems reasonable; but, on the other hand, suppose the bill is passed and a settlement is made with Great Britain upon the basis of the interest at the rate of 3 per cent during the next 10 years, would it not be to the advantage of Great Britain to have our bonds which draw  $4\frac{1}{2}$  per cent? While she was paying us only 3 per cent, we would be paying her  $4\frac{1}{2}$  per cent.

Mr. SMOOT. The only advantage that could possibly come would be with reference to the time between the payments of the annual payment of principal, as I have already stated, and on that she would have to take a chance. It all depends upon her finances. Not only that, but it would also affect us. If England and the balance of the world were compelled to pay gold into the Treasury of the United States and take it out of the other treasuries of the world in large quantities, I will say to the Senator that America would suffer from such a course. The exchange value of money would be such that we would lose by that process a great deal more than we would ever make upon the little difference in the rate of interest.

Mr. HITCHCOCK. Is it not a fact that Great Britain last October paid out \$100,000,000 and that contemporaneously with that the British exchange was going up and is even higher now?

Mr. SMOOT. England had been for two years or more, I think, preparing for the payment of that interest. She paid \$50,000,000 on the 15th of October, 1922, and paid \$50,000,000 on November 15, 1922. As I remember, and I state it only as from



memory, she did promise to pay \$125,000,000 during that time, but her last payment of \$75,000,000 she was not able to make and she asked that she be permitted to pay \$50,000,000 and did pay the \$50,000,000.

Mr. HITCHCOCK. The Senator does not maintain that the payment of that amount had an injurious effect on the rate of British exchange?

Mr. SMOOT. No; I do not, because I said that they had been preparing for quite a while to pay that amount of money. I want to say to the Senator, however, that if England were called upon to pay another \$100,000,000 to the Government of the United States there is no question that it would affect her exchange. If I had the English budget here I could show the Senator how it would affect it and why.

Mr. GLASS. Let me ask the Senator what possible disadvantage it could be to the United States if England were to do that? The United States has to pay her rate to somebody. It could not be of any possible disadvantage to this Government if England were to proceed in that way.

Mr. SMOOT. It would be no disadvantage whatever. If England in the meantime, during the first year of the three-year period, or at any intermediate time, should be able to take a part of what she was owing us and put it into our bonds it would strengthen our bonds, and she could get a little interest out of those bonds to assist her in paying the interest which she would have to pay to us.

Mr. HITCHCOCK. Carrying out the suggestion made by the Senator from Idaho [Mr. BORAH], is it not a fact that England can only get a benefit out of the provision in case she is able to buy our bonds at a discount?

Mr. SMOOT. With one exception. It is true that it is impossible for her to do it if our bonds are above par. The Senator from Idaho was right in that respect. But if they were exactly at par and the first payment on the principal fell due, we will say, on December 15, 1923, and she did not have the money with which to pay it without crippling her in making other payments which were absolutely required to be made, and in the payment of which the exchange value between the two countries would be adversely affected, then she could take advantage of the privilege that is given her and she would not likely make the first year's payment. Therefore if she had a part of the money for the first year's payment she at least could put that part into bonds and draw the interest until perhaps the next year, when she could pay the full two years, and she would have the advantage of at least the accumulated interest for that length of time.

Mr. HITCHCOCK. She would be drawing interest from us at the rate of 4½ per cent, and paying interest to us at the rate of 3 per cent.

Mr. SMOOT. Yes; for the time she would hold those bonds.

Mr. HITCHCOCK. I think there is something in the argument. She could put herself gradually in the position where she would be making a profit of 1½ per cent interest every year on the bonds of ours which she bought and held.

Mr. SMOOT. I think that if England or any other country had the money, she would live up to the contract of paying, but she does have that privilege of deferring payment. I think it is an advantage to her and also an advantage to America in case of a tight money market.

Mr. OWEN. The real point is that England has the opportunity of deferring payment. It is no favor to England to say she may buy our bonds and get a rate of interest on bonds, because any nation or any person could do that.

Mr. BORAH. But while she holds our bonds and collects 4½ per cent interest on them, she is only paying us 3 per cent.

Mr. SMOOT. I do not see that there is very much argument in that when we know there are some outstanding English obligations drawing 5½ per cent. England is not going to buy our bonds as an investment at 4½ per cent when she has obligations of her own now drawing 5½ per cent.

Mr. GLASS. To the extent that she should buy our bonds, she would simply stabilize the bond market for the 13,000,000 American people who own our bonds.

Mr. BORAH. Yes; but there is another item, of course, which I understood was in the proposition. The matter came to me by reason of suggestions made to me by one of the great bankers of the United States in discussing the proposition. I am asking these questions because of things which he said to me in discussing the matter.

Of course it would help stabilize the bond market, because the minute the bond market started to go down, England would come in and buy, and that would stabilize the bond market. That is a great advantage. If the bonds were still in the hands of those who originally bought them, I could see a

great universal advantage throughout the United States; but unfortunately that is not true.

Mr. GLASS. It is true, I will say to the Senator, to a very great extent.

Mr. SMOOT. I will say to the Senator from Idaho that the Senator from Virginia [Mr. GLASS] stated there were 13,000,000 bondholders in the United States, and the bonds have not been so purchased to the great extent that people seem to think they have been. I know the Senator is correct as far as the bonds are out of the hands of many of the original bondholders.

Mr. BORAH. But if the Senator would go out through our section of country, the Senator's and mine, he would find none of the bonds in the hands of the laborer who bought them or in the hands of the farmer who bought them, or any of that class of people, out through our country. I do not know how it is in the East, but out through our part of the country they have passed out of the hands of such people entirely.

Mr. GLASS. I will say to the Senator that I requested the Undersecretary of the Treasury several days ago to furnish me with a statement, and that statement in detail shows that there were 13,000,000 holders of the bonds. It does not argue because John Smith has sold his bonds that they necessarily have gone into the hands of a millionaire. Tom Jones, who may be a little better able to hold the bonds than John Smith, very likely has bought them in the same community.

Mr. BORAH. That may be true in some parts of the country, but I happen to know that all through the West the bonds have passed out of the hands of that class of people almost universally, and especially the very small holders. They have gone into the hands of the bankers and that class of people who are able to handle them. I am not criticizing the proposition, but I am of the opinion that back of all the proposition is a desire to stabilize those bonds.

Mr. WALSH of Montana. Mr. President, I would like to inquire of the Senator from Virginia upon what information the Treasury Department ascertains the number of holders of its bonds? What source of information has it?

Mr. GLASS. I did not undertake to inquire the source of the information. I simply asked as to the facts, and the Undersecretary furnished me with a statement as to the number of borrowers.

Mr. WALSH of Montana. The Senator is so familiar with such transactions that I thought possibly he would know without specific information from the Treasury.

Mr. GLASS. As a matter of fact, I do not think that the Treasury knows, though to some extent it does. It may only give an approximate estimate, and it did give an approximate estimate showing that the bonds were held, in various denominations, by 13,000,000 holders.

Mr. WALSH of Montana. How could they know where the unregistered bonds were held?

Mr. GLASS. As to the registered bonds, they could know exactly.

Mr. WALSH of Montana. There is no doubt about that.

Mr. GLASS. As to the coupon bonds, they had to make an estimate.

Mr. SMOOT. There is one other source of information. I will say to the Senator, and they could get the information from that source. Every taxpayer with an income of over \$1,000 a year has to make a tax return as to his income, and they can secure a great deal of information from that source. Not only that, but every taxpayer who pays an income tax reports upon the bonds that he holds and the interest upon and kind of bonds that he has in his possession, and the amount.

Mr. McKELLAR. Mr. President, if the Senator will permit me I want to say that I am astounded at the figures submitted by the Senator from Virginia [Mr. GLASS] that there are 30,000,000 bondholders in the country. That is one out of every two grown persons in the United States, because about 50 per cent of our population is less than 21 years of age. That would mean a most remarkable condition. I want to assure the Senator that there is no such condition as that in my State. I do not know where the bondholders are, but the Senator surely must have been misinformed.

Mr. GLASS. The Senator from Tennessee misunderstood me. I did not say 30,000,000, but 13,000,000.

Mr. McKELLAR. I thought there must be some mistake. Of course there could not be 30,000,000 holders of our bonds.

Mr. SMOOT. The Senator must not think that because a person is not 21 years of age he can not own bonds.

Mr. McKELLAR. There are a few very fortunate people—

Mr. SMOOT. Not only a few, but there are whole families and whole communities—

Mr. McKELLAR. Oh, yes; I know that.

Mr. SMOOT. I know where the bonds have been given as Christmas gifts and in every other way bonds have been presented to persons under 21 years of age.

Mr. McKELLAR. I misunderstood the figure stated by the Senator from Virginia, and the number, 13,000,000, presents a different situation.

Mr. SMOOT. The baby bonds which were issued by the post offices throughout the country in denominations of \$5, \$10, \$25, and \$50, which was the maximum of the denominations issued, were held even by school children. I know all over the United States funds were collected in schools sufficient to buy a bond. The children all contributed to such funds, and the bonds are held by them now.

Mr. GLASS subsequently said: Mr. President, in the course of a colloquy to-day I undertook to state the number of holders of Government bonds. I said, or should have said, at all events, that they were 13,000,000 in number; but I am told by the Senator from Tennessee [Mr. McKELLAR] that he understood me to say "30,000,000" instead of "13,000,000."

Mr. McKELLAR. Yes; I did.

Mr. GLASS. Therefore, in order to have the RECORD appear as it should appear, we have agreed to the alteration, if alteration be needed, so that I may be quoted as saying "13,000,000" instead of "30,000,000."

Mr. HEFLIN. Mr. President, if the Senator from Virginia knows, I should like to be informed how many holders of bonds there were in the spring of 1920.

Mr. GLASS. As I recall, the largest number of holders of Liberty bonds was 22,000,000.

Mr. SMOOT. Was it not 18,000,000?

Mr. McKELLAR. Mr. President, I just want to say that the remarks I made about this particular matter were made on the assumption that the Senator from Virginia had said "30,000,000"; and I do not know that I should have said anything at all if I had understood him to say "13,000,000," as he did. It seems to me that 13,000,000 is quite a large number of bondholders, and I hope there are that many; but my statements were predicated upon what I understood to be his statement that there were 30,000,000 bondholders in the United States.

Mr. OWEN. Mr. President, it has been suggested that it will be against the interest of the United States to have the payment of this indebtedness extended over a long period of time. I think, however, it will be perfectly obvious upon considering the matter that having the indebtedness extended over a long period of time will be highly advantageous to the United States as well as to the debtors of the United States. Suppose we were to say that the indebtedness ought to be paid immediately, and it should be paid, it could only be paid in commodities, because we know that it could not be paid in gold. Suppose that there were sent into this country immediately billions of dollars worth of commodities from Europe, it would have the effect of breaking down commodity prices here and would interfere with our own manufactures and commercial activities. It would make a commodity panic. Obviously that would be against the interest of the stability of values in America and would be injurious to all our people. It is far better, in my opinion, to extend the payment of this indebtedness over a long period of time, and 62 years, in my judgment, is not too long a period, because it must be remembered that Europe owes approximately \$18,000,000,000 to the United States.

The indebtedness of \$11,000,000,000 and upward is not the whole of the indebtedness due the United States by foreign countries, for there is also a large amount which is due to our nations in all sorts of form. That means an interest charge against that indebtedness of about \$700,000,000 in addition to our normal commodity balance of exchange. That balance of exchange, in terms of commodities, is running about \$1,200,000,000 a year. The interest on the foreign debt added to that will make it approach nearly \$2,000,000,000 a year. That has got to be paid in terms of commodities. The world has got to have time to readjust itself; and this debt ought to be extended over a very long period of time in order that the world may accommodate itself to the conditions.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. OWEN. I yield.

Mr. BORAH. Can the Senator from Oklahoma advise us as to what rate of interest is paid on the indebtedness which is

owing to private citizens or to individuals in this country by England?

Mr. OWEN. That rate of interest is probably 5 or 6 per cent.

Mr. BORAH. I understand also that the rate of interest which is paid upon some of the English domestic bonds is 5 per cent?

Mr. OWEN. Yes; but, Mr. President, I think the Senator from Idaho and the country ought to realize that while rates of interest are at a certain point to-day it does not at all mean that such rates are permanent. I wish to call the attention of the Senate to the fact that we have built up in America through the Federal reserve act a means by which credits may be extended against commodities in lieu of gold.

The same thing has been done under the farm loan act by extending credits against farm lands on long periods of time. Those acts are nothing more nor less than a factory for the manufacture of credits in lieu of gold; so instead of having credits depend alone upon the small amount of gold in the world, we now have built up a system by which credits are extended against commodities which are merchantable and non-perishable. That means a very large volume of values as a basis of new credits in the country. Therefore, when we speak of the rates of interest before the World War of 2 and 3 per cent on our bonds as being normal, we need not think that in 10 years from now the rate of interest on United States bonds will not be comparatively low, and for the further reason—

Mr. McKELLAR. Mr. President—

Mr. OWEN. The Senator will excuse me, if he pleases, for a moment—for the further reason that the gigantic output of commodity values under modern machinery such as we in the United States have built up and are still building up in geometrical ratio, and the tremendous volume of commodities which is being poured out, indicated before the depression began a productive power on the part of the American people of approximately \$70,000,000,000 a year. There is a great annual increase of capital created out of the work and labor of men which is constantly growing in America—which is constantly growing throughout the world—which must find investment. Because of the great World War which poured out a huge flood in billions of Government securities that capital has been diverted into those Government securities and at rather high rates of interest. Some governments are paying 7 and 8 per cent now, and our own bonds, bearing an interest rate of  $4\frac{1}{2}$  per cent, went down to 82 two years ago, but they have already come back and they are going above par.

The Treasury Department is able constantly to make a little better terms in regard to the credits which are required for the meeting of the Treasury obligations. Within 10 years we may expect the world rate of interest, so far as the credit of the United States is concerned, to be down to 2 and a fraction per cent—at any rate, under 3 per cent. I have not the slightest doubt of it. I think the arrangement made with Great Britain binding Great Britain to pay the rates of interest fixed in the agreement is fair, and I think that Great Britain was justified in asking permission to pay in United States Government bonds, because if they can liquidate our indebtedness to our people that will satisfy our purpose, and ought to be regarded as sufficient to liquidate the obligation of Great Britain to us.

Mr. WALSH of Montana. Mr. President—

Mr. OWEN. I yield to the Senator from Montana.

Mr. WALSH of Montana. I should like to inquire of the Senator whether the stipulation of the agreement under which the bonds of the United States may be used for the redemption of the bonds of Great Britain instead of cash, to which the Senator from Idaho [Mr. BORAH] referred a short while ago, whether the incorporation of that provision does not show that the commissioners who negotiated the agreement expect that quite likely the conditions which the Senator has now predicted will not arise, but that the bonds now outstanding will go below par, indicating that the rate of interest will be higher?

Mr. OWEN. Regardless of the implied forecast, naturally they want to get whatever opportunity might be afforded by the future which they can not forecast.

Mr. WALSH of Montana. But my question was, Did not the incorporation of the provision referred to indicate that they expected a condition of things quite different from that which the Senator is now predicting?

Mr. OWEN. The opportunity of paying in these bonds at any time gives them an advantage, of course, in the contingency that they should fall to a low price—I agree to that—but that does not at all affect the argument which I am making.



Mr. WALSH of Montana. It is perfectly obvious that it gives them an advantage, but that is not the question which I addressed to the Senator. My question was, Does it not indicate that they have anticipated that our bonds will go below par and that our credit will not be improved, as the Senator predicts it will be?

Mr. OWEN. It indicates not that our credit may not be improved, but there may be periods during which it will not have such a strong standing as is expected. They want an option which is always advantageous when it costs nothing.

Mr. WALSH of Montana. I think it is nothing more than a desire to take advantage of the situation if our bonds go down. There would be no point to the option if they went up.

Mr. SMOOT. Mr. President, let me say again that if it had been absolutely known that our bonds never would be less than par, then there would be the advantage I have already stated in relation to the interest period between the first and the third year payments.

Mr. WALSH of Montana. It seems to me that the conclusion is irresistible that they figured that the time would come when our credit would not be as good as it is to-day, and that our bonds would be upon the market below par.

Mr. SMOOT. That may or may not be so; but I agree with the Senator from Oklahoma that in 10 years from now the United States and Great Britain will be able to borrow money at a much less rate than they are borrowing it to-day.

Mr. OWEN. Mr. President, the Senator from Tennessee started to ask me a question when I was in the middle of a sentence, and I did not get an opportunity for ascertaining what the question was.

Mr. McKELLAR. The Senator is very kind. He has answered the question I had in mind. I was going to ask if he believes that at any time within 10 years the United States could fund \$4,600,000,000 of indebtedness at a less rate than 4 or even 4½ per cent? He has stated that he does think so.

Mr. OWEN. I have not the slightest doubt of it.

Mr. McKELLAR. I differ entirely with the Senator. I do not believe, with the enormous amount of bonds outstanding throughout the world, not only bonds issued by this Government but by virtually every government in all the world, that there is the slightest possibility of our funding this indebtedness at any such rate.

The Senator will remember that the present 2 per cent bonds that are now outstanding were sold at a price so that they would yield about 5 per cent, as I recall, and they were issued long, long after the Civil War. I do not know of any bonds that have been issued by our Government at very much less than the rate our present bonds bear.

Mr. OWEN. I do not agree as a historical fact with the statement the Senator has made; it is not correct.

Mr. McKELLAR. I was so informed by the Treasury Department this morning; I do not know whether or not the statement is correct.

Mr. OWEN. The Treasury Department will have to readjust its figures, for they are not correct, as a matter of fact.

Mr. SMOOT. If the Treasury Department advised the Senator to that effect the Treasury Department made a statement that history does not bear out.

Mr. OWEN. And as to which I know better.

Mr. McKELLAR. Of course, the bonds to which I have referred had the circulation privilege.

Mr. OWEN. And they have it yet. I had occasion to have bought \$200,000 of those bonds at par, and I know they were not issued at the low rate the Senator indicates.

Mr. McKELLAR. Were they bought by the Senator recently?

Mr. OWEN. They were bought about 10 years ago, as nearly as I can remember.

Now, Mr. President, in answer to what the Senator has said, I remind him again of what was quoted in the morning newspapers—and is quoted in every morning newspaper; it is a constant thing; it is nothing new—that money in London right now on call is at 1½ per cent and on time 2½ per cent—merchants' credit.

Mr. McKELLAR. Mr. President, will the Senator yield right there?

Mr. OWEN. I yield.

Mr. McKELLAR. The Senator must see that his argument is faulty, for the reason that if Great Britain could get money in her own kingdom at 1½ per cent, as the Senator says it is now bringing there, she would be exceedingly foolish to give us a 3½ per cent bond or even a 3 per cent bond.

Mr. OWEN. I only pointed out to the Senator that the merchants and the bankers of London were getting money on call

at 1½ per cent and on time at 2½ per cent. That does not mean that Great Britain can go in and borrow in the London market \$4,000,000,000 at one time; but it means that, according to the current needs of commerce and industry of England as expressed in the London money market, call money is only commanding 1½ per cent and time money 2½ per cent.

Mr. SMOOT. For 60 and 90 day paper.

Mr. OWEN. Yes; for 60-day paper. That is of itself evidence of what will be the normal rate when the world gets readjusted, as it will be readjusted in a few years.

Mr. McKELLAR. What does the British Government pay for the money which it borrows?

Mr. OWEN. It probably pays 5 per cent.

Mr. McKELLAR. If it pays 5 per cent, that would not even be a comparable situation; but it would be more comparable than the argument in favor of this rate; that is, that because call money was 1½ per cent, as the Senator has said, or that time money on 30-day paper was 2½ per cent, that British bonds in this enormous sum could be sold at such a rate.

Mr. OWEN. The effect of the Senator's argument would be that because our bonds were down to 82 they never could go up.

Mr. McKELLAR. Not at all.

Mr. OWEN. Oh, yes; because in an emergency, when the Government is compelled to use its credit on a very great scale, of course the market to supply that credit is limited, and therefore the sale of that credit is at a higher figure. As that condition changes, however, the Government will increasingly be able to get credit on better and better terms; and I have given the reasons which justify the belief that all the nations of the world will be able to get money on better and better terms, because there will be increasing capital to be invested in such forms of bonds, and the extraordinary occurrences during the World War, making a demand for credits by these governments, will have ceased. Moreover, the productive power of improving man-made machines is growing by geometric ratio, and the volume of commodities and credits and capital as it increases will lower the interest rate of the bonds of nations which will in future be at peace and engaged in liquidating the wounds of war.

Mr. WALSH of Montana. Mr. President, I am opposed to the measure before us for the ratification of the agreement entered into on behalf of our Government by the Foreign Debt Funding Commission with the Government of Great Britain touching its obligations arising out of loans made to it by the United States during the war and immediately thereafter, and purpose to set forth briefly the reasons which impel me to the conclusion at which, after reflection, I have arrived.

The agreement involves the stupendous sum of upward of \$4,600,000,000. The indebtedness is not disputed. No controversy subsists or has ever arisen concerning the obligation, either with respect to the liability or with respect to the amount. The total sum was loaned. It represents cash out of the Treasury. The advances were begun pursuant to a law of Congress, enacted speedily upon our entrance into the great conflict, under which the Secretary of the Treasury was authorized, from the proceeds of Liberty bonds, for the issuance of which the act made provision, "to purchase at par from such foreign governments then engaged in war with the enemies of the United States, their obligations, hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act." The clause quoted is from the original Liberty loan act of April 24, 1917. Similar language in subsequent acts authorized loans under like conditions, pursuant to which nearly \$10,000,000,000 were loaned to our allies, including the vast sum heretofore mentioned to Great Britain.

The several Liberty loan issues were put out at the following rates of interest, to wit:

The first Liberty loan, 3½ per cent; second Liberty loan, 4 per cent; third Liberty loan, 4½ per cent; fourth Liberty loan, 4½ per cent; Victory Liberty loan, 4½ per cent.

Their maturity is as follows: The first, June 15, 1947; the second, November 15, 1942; the third, September 15, 1928; the fourth, October 15, 1938; and the fifth, May 20, 1923.

Mr. SMOOT. Mr. President, there is, however, a privilege of redemption of those bonds before those dates.

Mr. WALSH of Montana. Oh, yes; certainly. We are obliged, however, to take them up at those dates. We may, if we see fit, take them up earlier.

Mr. SMOOT. Yes. That is what I wanted to call the Senator's attention to.

Mr. WALSH of Montana. Oh, certainly.

Owing to the expedition which the conditions imperatively demanded, a simple I O U was taken at the time from the

borrowing nations, reciting that it would be by the debtor, if requested by the Secretary of the Treasury, converted "at par, with an adjustment of accrued interest, into an equal amount of 5 per cent gold bonds conforming to the acts of Congress." None of the bonds so promised by the nations thus lavishly provided with funds by the taxpayers of the United States have ever been delivered, the efforts of the Treasury to induce compliance in that regard, prosecuted with such insistence as international courtesy would permit, having proved unavailing.

I am moved to advert to the absence of any controversy between the parties to the transaction touching either the obligation to pay or the amount to be paid, because in the discussion which has taken place the arrangement entered into is frequently referred to as a "settlement." A settlement implies ordinarily a dispute, usually involving mutual concessions respecting reciprocal demands. The term is often used to signify an arrangement entered into by a bankrupt or involved debtor with his creditor or creditors by which he is excused from paying all that he owes, though such a transaction is more appropriately referred to as a composition. Neither the one nor the other condition justifying the use of the term is present here. There is, as stated, no controversy, and there never has been any controversy, touching the debt due from Great Britain that might be the basis of a settlement. Neither is she a bankrupt nation, or so involved as to be threatened with bankruptcy. She would deeply resent any intimation of insolvency or near insolvency.

The Foreign Debt Commission, which came into existence by virtue of the act approved February 9, 1922, and authorized thereby to convert, refund, and extend the time of payment of the loans made as heretofore stated, was by its terms denied any authority to accept bonds bearing less than 4½ per cent per annum—assumed to be about the average rate we pay on the money loaned—or maturing later than June 15, 1947, within which period, as stated, the bonds through the sale of which the funds loaned were realized will fall due. It agreed, however, in substance, tentatively, and subject to the approval of Congress, as the British representatives understood perfectly, that the United States would accept the bonds of Great Britain due in 62 years, bearing 3 per cent interest for the first 10 years and 3½ per cent thereafter. Congress is now asked to approve this arrangement.

It is a plain misnomer to denominate such a transaction as a settlement. It should be recognized for what it is, namely, a proposal to abate from the amount due us, concerning which there is and can be no dispute, substantially the equivalent of 1 per cent per annum on \$4,000,000,000, or \$46,000,000 annually. We must exact of the taxpayers of America an amount sufficient to pay the accruing interest on Liberty bonds at 4½ per cent and over, and accept from Great Britain, on an equal amount of her bonds, interest at 3 and 3½ per cent—a plain gift to her of nearly \$50,000,000 yearly.

In that aspect of the case—and no other view of the transaction can be taken—the highly eulogistic phrases of the message of the President commending the adjustment to Congress, in which he extols the virtue of the debtor nation entering into it in thus formally recognizing its obligation on account and arranging for the payment of sums borrowed by it, however vast, as an example to the world, seems strangely out of place.

It is a recommitment—

He says—

of the English-speaking world to the validity of contract.  
It can not be unseemly to say it—

He adds—

and it is too important to be omitted, the failure of the British undertaking would have spread political and economic discouragement throughout the world, and general repudiation would have likely followed in its wake. But here is kept faith—willingly kept, let it be recorded—and a covenant of peace no less effective than it would be if joint British and American opposition to war were expressly agreed upon. It is a covenant of peace and recuperation, of respect and co-operation. It is a new element of financial and economic stabilization, when the world is sadly needing a reminder of the ways of peace. It is an example of encouragement and inspiration, when the world is staggering in discouragement and bowed with the sorrows of wars that were and fears of wars which humanity is praying may be avoided.

"It is a recommitment of the English-speaking world to the validity of contract."

One is tempted to believe that the President was speaking ironically. The contract called for bonds bearing the same rate of interest and maturing contemporaneously with those by the sale of which the money which passed was procured. Nearly five years had elapsed since that contract was entered into without compliance with its terms. Some arrangement less onerous was sought; and there is no pretense that the one thus tenta-

tively entered into is not more favorable to the debtor and less so to our Government. But if the observance were strict, why should it evoke praise? Is it not expected of every nation, as of every individual, that it will make provision to pay its debts, and particularly those debts incurred by borrowing? Would it not be ignominious, as well as disastrous, not to do so, or at least to exhaust its every resource in order to make payment according to its promise?

Perhaps, though, this exordium was intended to spur other nations to adjust their indebtedness to us. If so, it is as likely to offend their sensibilities, intensified by their distress. France, at least, appears to require no admonition. A highly honorable editorial recently appeared in one of the Paris papers, from which I quote as follows:

What Frenchman did not experience a painful feeling during the last conference at Paris, and even for several years back, when the question of the interallied debts was being considered, at seeing France in the rather shabby position of a debtor who seeks to obtain a quittance from his creditors?

We may say that all the costs of the war ought to be pooled and that Great Britain entered the war on her own interest, in order to prevent Germany from establishing herself at Antwerp and Calais. But it remains true, nevertheless, that no agreement to pool war costs binds either Great Britain or America, or that we owe 11,000,000,000 of marks to the one and 14,000,000,000 to the other—25,000,000,000 in all—representing in round figures, 75,000,000,000 of our present paper francs.

However enormous this foreign debt may be, however difficult it may seem to us to begin to pay it, especially after having advanced 100,000,000,000 of our paper francs on Germany's account to our sufferers in the north and our war pensioners, we must face this duty, cost what it will, if we wish to restore our credit and see the franc rise again in value. This liberation from our burdens once accomplished, our financial horizon will clear, confidence in our credit will be greater than ever, our good name will no longer have anything to fear from the maneuvers of stock jobbers; the economic readjustment which will result from this situation will be of benefit to all.

Let us not deceive ourselves concerning the transaction with respect to which our approval is sought. It is a remission of a part of the debt due us from Great Britain, and nothing else. No honeyed words can make it anything else.

The armistice had hardly been signed when an agitation began on both sides of the Atlantic for the cancellation of the debt due to the United States from its allies. Certain it is that before the credits which had been established in this country by virtue of the loans had been exhausted by any nation the movement was in full swing. High-minded and farseeing citizens of our country advocated that course, some upon sentimental, others upon economic grounds; others, whose selfish interest could not be concealed, joined in the effort to release our foreign debts, and still others, who yielded to the persistent propaganda, inclined by predilection and habit to accept views that are popular in or propagated by Great Britain.

Despite repeated rebuffs the foreign offices of the debtor nations continued to regard the question as an open one. President Wilson and his Secretaries of the Treasury flatly told the representatives of the powers who cautiously introduced the subject that it was not even to be discussed. The arguments in favor of the remission of the debt fell flat. They made no impression upon either the Democratic or the Republican administration and but little upon the country. When the unyielding attitude of our Government became known a torrent of abuse was heaped upon our people by those whom they had befriended. Uncle Sam was very profusely portrayed as Shylock by a ribald press, mindless of the fact that Shylock exacted an unconscionable bargain when he made the loan, while our Government, in addition to the gigantic efforts it was making on its own account to win the war, generously offered to lend great sums to its allies at exactly the rate of interest it was itself obliged to pay without any charge whatever on account of the expense incident to finding the money. It might be added that even if there were any other source from which their needs could be supplied, no such favorable terms could be secured in any market. Only a short time before our Government thus came to their aid, the joint bonds of Great Britain and France, secured by collateral bearing 5 per cent interest, were negotiated at no more than par in New York. Indeed, well-authenticated reports are to the effect that they were underwritten at 95.

The irresponsible emanations of malicious private journals may be forgotten, but the implied criticism of the Balfour letter is of another character. That official communication advised the continental allies, to whom Great Britain had made advances, that she was generously disposed to forgive all debts owing to her, aggregating some \$17,000,000,000; but, alas, she was unable to do so because the United States would not release her a paltry \$4,500,000,000, and so she was obliged to insist upon their settling. Obviously the effect, if not the purpose, of this letter was to excite the ill will of continental Europe against the United States. An analysis of the proposi-



tion robs it of much of its seeming generosity. Of the \$17,000,000 which Great Britain thus offered to forego, \$9,750,000,000 is the amount of her share of the reparation due from Germany, the collection of which is remotely problematical, our claim for reparation from Germany having already been waived. That leaves \$7,250,000,000 of actual loans which she offered to forgive. But she would be released by the United States to the extent of \$4,500,000,000, making her net sacrifice but \$2,750,000,000. Our Government could not remit the debt due from Great Britain without according like treatment to our other allies, signifying a sacrifice upon our part of \$10,500,000,000 as against a net sacrifice on her part of about one-fourth that sum.

Our Government was unshaken alike by argument and vilification, but now it yields in the policy to which it has heretofore steadily adhered and forgives, not all, but a portion of the debt due from one of our late allies—not a large portion relatively, it is true, but a tremendous sum nevertheless, as heretofore pointed out.

Upon what consideration? Assurance is given that the representatives of Great Britain conveyed the intimation to the commission, or perhaps desired to have it understood, that she could not, by reason of the sacrifices made in the war and her internal problems more or less intimately associated therewith, pay more than 3 or, at most, 3½ per cent. Of course if Great Britain can not pay more, if that is the limit of her capacity, if upon inquiry it is found that she is unable to redeem her obligations, there is no course open to us but to accept the agreement evidencing what she believes she can pay.

For my part, I have no disposition to force her into any such humiliating admission. If we are to act, however, upon any such suggestion, emanating from any source, we should be supplied with the information from which that conclusion is to be drawn. It will require some very accurate calculation to demonstrate that having the ability to pay \$161,000,000 a year (3½ per cent on \$4,600,000,000) she can not pay \$195,500,000 (4¼ per cent on \$4,600,000,000). She is paying \$500,000,000 a year as doles to her unemployed. Ours, who get no such gratuities, are in effect to be taxed to help make up those which go to her idle. For, though our laborers may not pay any great sum into the Federal Treasury as income taxes, no one can doubt that they contribute a very substantial part of that exacted of those who do and who pass the burden along to the ultimate consumer in the form of increased prices of the commodities which they must buy.

It does not satisfy me to be told that the people of England are paying burdensome taxes—so are we; nor to be told that they are paying higher taxes than the people of any other country. Ought we to join them in their effort to retrench at our expense? Recently they gave an effective range to the great guns of their battleships of 25 miles as against 20 miles, by elevating their muzzles, involving important changes in the construction of the vessels upon which such guns are mounted. Information is not at hand as to the cost of this resurgence of the desire to remain mistress of the seas, but our Government is called upon to expend \$60,000,000 to remodel our ships to meet the competition she has thus renewed in violation of the spirit of the treaties entered into at the Washington conference. Her budget discloses that she is expending \$10,000,000, approximately \$50,000,000, annually to maintain her authority over the mandated territory which she acquired as a result of the war, including Mesopotamia, Palestine, the former German-African colonies, and the Pacific islands south of the Equator, her share of those—

Lily Isles that o'erlace the sea—

awarded to her pursuant to the secret treaty with Japan of which she inadvertently omitted to advise us when we entered the war. An imperialistic policy comes high. A royal family is an expensive affair, but just why should the people of the United States be called upon to help support either? I decline to give this arrangement my sanction upon the ground that Great Britain can do no more.

The statement was made in one of our most reliable periodicals within the current month that the drink bill of that country would pay off the debt she owes us in 25 years. This reference is not to be considered as a suggestion that Great Britain embrace the policy of prohibition. It simply means that for aught I know the payment of the debt signifies only the abandonment of some luxuries on the part of her people, such as in their straitened circumstances they even now enjoy.

Considering what Great Britain is spending on her territorial acquisitions growing out of the war, I was prompted to advert to what she got out of it as contrasted with what we got. But that feature having been presented on yesterday in his usual masterly way by the Senator from Idaho, I forbear.

I can not resist, however, the impulse to descant upon the tragic failure of most of the high hopes with which our country entered the war. It is true we "licked the Kaiser." The menace of his vaulting ambition was effectually laid. But to what extent has there been realized the stirring conviction animating our soldiers as they went forth, and comforting their mothers, that they were engaging in a war to end war? How far did they succeed in making the world safe for democracy, or in assuring the reign of justice among nations? If selfishness and ambition ran riot at the Peace Conference, as they did, if the old order under which the spoils were distributed among the victors remained dominant, as has been fully disclosed, was Great Britain guiltless? It was her Prime Minister who demanded of Germany, regardless of the stipulations of the armistice, such reparations terms as her own economists and statesmen now concede to be impossible, with the result that industrial and financial chaos abroad, reflected in widespread and protracted industrial depression in this country, has followed and another general European war is threatened.

Notwithstanding the elevated state of mind, the intense ardor of the American people, the generous sentiment prevailing toward their allies at the time the loans in question were contracted, the exalted expectations they cherished touching the great adventure upon which they had entered, no one even proposed that any gifts of money should be made those nations associated with us in it, or that the loans which they solicited should be made on terms more generous than those recited in the acts by authority of which they were made. In the light of what was achieved, it is strange that anyone should now propose to liberalize them.

It is said that Great Britain was fighting our battles for three years before we went into the war. I can not accept that view. The occasion referred to is not the first time England became immediately involved in war arising out of continental controversies. History discloses that she becomes almost inevitably embroiled in war between any two of the leading nations on the Continent. It is the exception rather than the rule that she is able to maintain a neutral position in such a contest. Conceding that the madman who precipitated the awful conflict aimed at world domination—a very just assumption—the peril of Great Britain was immediate, ours remote. A great ocean lay between us and his base. His guns, once the channel ports had been occupied, might make comparatively safe the passage over the Straits of Dover of an invading army. Anticipating such a possibility, or others no less obvious and alarming, Great Britain had entered into an alliance with France by which she was obligated to come to the aid of that country in the event of an attack by Germany. Upon like considerations she had guaranteed the independence of Belgium. Prudence no less than her solemn treaties impelled her to the course she took. Moreover, the triumph of Germany meant the success of the Mittel Europa project of the Kaiser and the Berlin-to-Bagdad scheme, by which an ambitious rival and potential enemy would be athwart her direct route to India. Great Britain was fighting her own battles, not ours.

Conceding, I say, that we would have been justified at the outset of the war in indulging the belief that the Kaiser dreamed of the time when, like Alexander, he would sigh for other worlds to conquer, such a supposition would afford a sorry basis for a declaration of war upon him. Had Germany entered France directly instead of by way of Belgium, the plight of Great Britain would not have been essentially different, but who would assert that in that event the Government of the United States would discharge its duty to its people and to the world by letting loose its dogs of war? It is safe to say that no American citizen ever contemplated the possibility of his Government taking any such step in such a contingency.

After the event—some time after the event—in captious political criticism, it was asserted that we should have gone in when Belgium was invaded; but no responsible individual, either in or out of public life, either advocated or suggested that course at the time, a course that would have been madly quixotic.

In extenuation of the generosity displayed in this so-called settlement at the expense of the taxpayers of the United States, it is said that the money was all spent in this country for commodities at high prices and—a common error—for war materials. In the first place, much of it went to pay for the products that normally go to Europe to meet the necessities and demands of the civil population and that were intended for civil and not military use, the allied governments themselves becoming the purchasers, instead of their individual citizens, in accordance with the policy which it was found necessary to institute for the conservation of the limited supply. In the second place, nearly everything purchased was secured at

prices regulated and controlled by our Government. And thereon hangs a tale, reference to which would be ungracious under other circumstances and but for the imputation to which our country and its people have been so repeatedly subjected of ungenerous conduct toward our allies and an avaricious desire to profit unduly by reason of their necessities. Notwithstanding we were giving them an opportunity to buy in this country at the same figure which our Government fixed as the price of what it would pay for the commodities it required, we were paying in Great Britain and France the highest prices for everything we bought there, often in an uncontrolled market. Some warm exchanges took place between our authorities and those of Great Britain over the condition. Jute will serve for illustration. Our demands for that commodity, supplied chiefly by India, both for military and civil use, were enormous. The price being exacted of us was, in the opinion of the War Industries Board, exorbitant. Appeals to the British Government brought only the indifferent reply that the Imperial Government could not constrain the Government of India. Our Government then, in effect, threatened to shut off the supply of silver for the use of India under the Pittman Act, thus discrediting the Indian currency, and buy jute with the cheapened silver rupees. In due course the Indian Government came through. The Imperial Government, it appeared, could persuade if it could not constrain the colonial administration. It is not proposed to offset the concessions asked of us with respect to the loans made to the Allies, that they should refund any part of the vast sums we paid them for service and supplies, often at outrageously exorbitant prices. In effect we are asked to excuse them from paying for supplies purchased in this country, while they hold and have no disposition to refund the cash we paid them.

It is advanced further that we shall be able to refund our bonds as they fall due on terms at least as favorable as those accorded by the proposed adjustment with Great Britain.

We heard the statement of the Senator from Oklahoma [Mr. OWEN] a few moments ago that we shall be able easily to refund our bonds at a rate of interest not higher than that we are now to exact of Great Britain. I have very great respect for the opinion of the Senator from Oklahoma with regard to any of these questions, but I say in passing that I conferred only a day or two ago with an authority in finance having no superior in this country who expressed quite a contrary view.

Perhaps we may, but why should we assume the risk? If it is asserted that there is none, let me remind those entertaining such optimistic views that had anyone in 1910 predicted that within 10 years the United States would be paying on its loans more than 4 per cent, he would have been set down as rattle-brained. Who shall say what vicissitudes may overtake our country affecting its credit or what world influences may depress the market for its securities or increase the rate of interest at which they must be put out? The very agreement we are asked to ratify contemplates such a contingency and provides that Great Britain may go into the market whenever our bonds are purchasable there at a discount, acquire them under such conditions, and apply them instead of cash to the redemption of her bonds issued pursuant to the adjustment made by the commission now before us.

I am not impressed with the stabilization argument so forcibly presented on yesterday by the able senior Senator from Alabama [Mr. UNDERWOOD]. Undoubtedly any adjustment of our foreign loans would tend to the stabilization of markets. For four years the agitation for the cancellation of these loans has been in progress. Whether payment of the stupendous sums represented by them will or will not be exacted is a question which can not fail to have a profound effect upon world finance and industry. In a greater or less degree any uncertainty as to the amount which must be paid, if any is to be paid, is a disturbing factor. I agree that the settlement proposed will be stabilizing in its effect. So would an agreement by which we are to accept half the amount due or one-fourth or to forgive the debt altogether. It is quite likely that such a course would stimulate industry throughout the world. A wealthy manufacturer would stimulate his business by forgiving all his customers their debts to him. They would then be in a position to make other and much more than the normal demands for his products. Possibly he might be obliged to enlarge his factory to meet the increased trade that would result. The much to be desired stabilization would ensue upon the adjustment of the debt strictly in accordance with the terms of the contract under which it was incurred as it will upon the terms proposed. Of course, if Great Britain will not perform as she agreed that is the end of the matter. We shall in that case have neither stabilization nor interest. But I can not believe that she will not perform, or at least would not have per-

formed. She has too much at stake. Her credit gone—why expropriate? She descends from the high station she has held through the centuries. It is unthinkable to my mind that she would not perform.

It is scarcely necessary to notice the oft-repeated remark that we shall never get as much from any of our other debtors, or the same idea conveyed by the remark, "I shall be glad if we get as much from our other debtors." So shall I. We shall deal with each of them as the conditions may seem to justify. To one of them we owe something for our existence as a Nation. To another we may possibly have a thought that it is an infant Republic we aided in coming into being, and not a proud nation that has stood the storms of the centuries, upon whose dominions the sun never sets, whose capital is the financial center of the world.

I can find no valid reason for abating anything in the instant case from what is justly due us.

Mr. WALSH of Massachusetts. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	George	McKinley	Sheppard
Bayard	Gerry	McLean	Shortridge
Borah	Glass	McNary	Smoot
Brookhart	Hale	Moses	Spencer
Calder	Harrell	Nelson	Stanley
Cameron	Harris	New	Starling
Capper	Harrison	Nicholson	Sutherland
Coit	Heflin	Norris	Swanson
Couzens	Hitchcock	Oddie	Townsend
Culberson	Johnson	Overman	Underwood
Curtis	Jones, N. Mex.	Page	Wadsworth
Dial	Jones, Wash.	Phipps	Walsh, Mass.
Dillingham	Kellogg	Pittman	Walsh, Mont.
Ernst	Ladd	Pomerene	Warren
Fernald	La Follette	Ransdell	Watson
Fletcher	Lodge	Reed, Mo.	Weller
France	McCormick	Reed, Pa.	Williams
Frelinghuysen	McKellar	Robinson	Willis

The VICE PRESIDENT. Seventy-two Senators have answered to their names. A quorum is present. The Secretary will read the bill.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Finance was on page 2, line 5, after the name "United States" to strike out the words "recommended by the commission and approved by the President, as set forth by him in a message presented to Congress on February 7, 1923, as contained in House Document Numbered 554, Sixty-seventh Congress, fourth session"; so as to make the proviso read:

*Provided, That the settlement of indebtedness of the United Kingdom of Great Britain and Ireland to the United States, as follows:*

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. POMERENE. Mr. President, I shall speak only briefly upon this subject. I expect to vote for this bill and I shall vote for it whole-heartedly. I can not agree with my brethren who seem to take the position that the United States is making very great sacrifices by this adjustment of the debt owing by the British Empire to the United States of America. I recognize the fact that at the time we entered the World War and made the several loans to the British Empire as well as to others of our allies there was a general understanding that the governments to which the loans were made should pay to the United States Government the same rate of interest which we were compelled to pay when our bonds were issued; but I think the entire correspondence between the several governments demonstrates conclusively that the obligations, whatever they were and whatever their form, were to be readjusted later. There can not, in my judgment, be any difference of opinion upon that subject.

At the time our bonds were marketed they were so drawn as to mature in comparatively short terms, and with the privilege upon our part to call in as many of the bonds at any time as we were able to. Why was that done? Because, I dare say, it was in the mind of everyone connected with both the executive and legislative departments of the Government that after the World War was ended, and we had resumed normal conditions, those bonds could be, and would be, refunded at a lesser rate of interest.

I was a good deal surprised, if I may use that word, on yesterday when the distinguished Senator from Idaho [Mr. BORAH] called attention to the large amount of property and money which the Allies had exacted from the German Empire, and then suggested under such circumstances we ought to exact somewhat harder terms from Great Britain and our other allies. I submit this proposition: The yardstick by



which the liability of an enemy country is measured by the victorious country is not the yardstick we should apply when it comes to measuring the liabilities of one ally to another, both of whom have been engaged in a common enterprise.

Senators, what is the situation with regard to these debts? Before we got into the World War Great Britain established gold credits in this country, as I am informed, to the amount of \$4,000,000,000. That money was expended amongst our merchants and manufacturers for war and other necessary supplies. Then the World War was the enterprise of our allies against Germany. Later on we declared war, and then it became the joint enterprise of ourselves and our allies. After we got into the war, were we prepared to go to the front? Were our Army and Navy equipped? No. Then, what could we do in that common enterprise? We could do just one thing in the early days of the war, and that was to assist our allies with funds. We did not stop at that time to determine when our allies should pay these loans or the rate of interest they should bear. Why? Because it was common knowledge that we could not do it at that time with satisfaction to either party to the transaction.

After we got into the war we loaned Great Britain approximately four billions of money. But that was not all we did. We said to Great Britain, as we said to the other allies: "We will loan you this money, but you must spend it in the United States." Did the American Government then anticipate the vast profits our people would make out of the expenditure of this money loaned by us to Great Britain and France and other nations in the war, which was ours as well as theirs?

Why, Senators, just think of it! We loaned to Great Britain four billions of money. It was expended here. Our merchants and manufacturers waxed rich. I shall not pause to speak of the very large percentage of profits they made. That is a matter of common knowledge; but more, because we could not otherwise control conditions, as we then thought, we concluded to levy large income and excess-profits taxes so that our Government could reach some of these exorbitant profits which were made out of our Government and our allies. If the World War had been their war alone, ours would have been a different problem. It was not their war; it was ours as well—ours in defense of our Government as well as in defense of the Governments of Great Britain, Belgium, France, and Italy, aye, in defense of the civilization of the world.

We are now the creditor nation of the world. After our people have made these vast profits and after we have taken a portion of them for revenue purposes are we to insist upon a rate of interest which every Senator must believe will be in excess of prevailing rates of interest a few years hence? That is the question. We are interested in the economic and financial condition of the world as well, and this is the first step toward the readjustment of international finances.

I do not think the American people want us to insist upon a rate of interest whereby we can make an undue profit out of the loans which we made to our allies.

Our national debt to-day is twenty-two billions plus. The national debt of Great Britain is about thirty-eight billions. Our national per capita indebtedness is \$226.35. The per capita indebtedness of the people of Great Britain is \$822.54. Great Britain owes to us about \$4,600,000,000 out of these \$38,000,000,000. It is said that the tax rate in Great Britain is higher than it is here in our country or among any of our allies. Great Britain is our debtor. I have no brief for the British Government, but I am trying to look upon this question as I think a representative of a creditor nation should look upon it. To me it is a business proposition, nothing more and nothing less.

When has it happened that a great creditor, even in private life, in the adjustment of a debt which is owing to the creditor, does not take into consideration the financial status of the debtor himself? If we are going to insist upon payments at exorbitant rates of interest, or upon the payment of the entire debt, let us say, within the 25 years, as the law creating the debt commission requires, how is Great Britain to take care of her other obligations?

Now, let us see if we can not get a little valuable information from the consideration of our own Civil War debt.

As I recall, the initial cost of the Civil War was about \$4,500,000,000. In 1865, at the close of the war, our total national debt was \$2,674,815,856.76, or a per capita national debt of \$76.98. In 1914, when the World War broke out, the total debt of the United States was \$950,593,142, or \$9.60 per capita. In 1860 our population was 31,443,321; in 1870 it was 38,558,371.

The Government of the United States when dealing with respect to our own national debt did not feel that it was justified in levying excessive rates of taxation, and so 49 years

after the war closed we had only reduced our national debt from \$2,674,815,856.76 to \$950,593,142.

Some seem to think, with this example before us, even now we should attempt to embarrass our former allies by insisting upon an earlier payment of this debt and at a greater rate of interest.

Mr. President, I have no doubt that when this proposal of settlement was made Great Britain had in mind the fact that she must meet her other obligations quite as well, and so it was believed necessary to distribute the payment of the principal over a period of 62 years. I think, under all the circumstances, that is a pretty fair proposition.

Mr. WALSH of Montana. Mr. President—

Mr. POMERENE. I yield to the Senator from Montana.

Mr. WALSH of Montana. I feel like saying to the Senator that I have not heard anybody complain about the period of time within which the money is to be paid. I imagine that everybody would be quite willing to give Great Britain any reasonable time within which to pay.

Mr. POMERENE. I think the proposal has been criticized a good deal because of the length of time over which the payment is to be distributed.

Now just a word with regard to the interest.

Some years ago we sold bonds at 2 per cent. It is true, I believe, they had connected with them the circulation privilege. Some of our municipalities, I believe, have sold their bonds in years gone by at less than 4 per cent, if we take into consideration the premiums paid. Here is a very, very large debt; I submit, as a matter of common financial knowledge, the larger the obligation and the longer the period of years over which it is distributed the less is the rate of interest.

We make the rate here 3 per cent for 10 years and 3½ per cent thereafter. I shall be very sorry if within that period we do not find the general rate of interest throughout the world to be less than 3½ per cent. We can not let this debt rest as it is. Common business prudence suggests that we fix it up in some way so that we will know what and when payments will be made on principal and what the rate of interest will be. We have given to Great Britain the privilege of paying off this debt faster than she is required to pay it. On yesterday some Senator—I have forgotten who it was—made the statement that this money might be dumped in upon us, and we would have it in the Treasury, and we could not dispose of it. I do not think any Congress in the life of the Nation has ever sat which could not dispose of a surplus. With our bonds to be paid, have no fear; we shall not be embarrassed by the amount of money in our Treasury.

Mr. President, I want to repeat, in conclusion, what I said at the beginning.

I think the Debt Commission ought to be congratulated upon the work it has done. I think the adjustment will commend itself to the peoples of both nations.

Mr. REED of Missouri. Mr. President, it seems to be my fate not to agree very often with my friend from Ohio.

Mr. POMERENE. I am very sorry.

Mr. REED of Missouri. When any man proposes to pay the debts of the United States out of the profits which some war manufacturers made and put in their pockets, the proposition strikes me as unique, to say the least. We borrowed this money from the American people. We did not force this money upon Great Britain; we loaned it to her at her instant request. She spent the money in this country, and undoubtedly some American manufacturers made some money out of the transactions. How does that justify us, then, in collecting any part of those profits from the general taxpayers of America, for if we pay 4½ per cent for money which we loaned to Great Britain, we must tax the American people for that percentage. It does not come from the manufacturers who made the profits; it comes from everybody who pays a tax.

It is not a source of great satisfaction to me, if I have to pay a larger income tax in order to pay the interest which we are to lose by this transaction, to know that some steel company down in the Senator's State made a lot of profits during the war. It is not a source of great satisfaction to a farmer who has to pay a tax. All of our people, whether they pay an income tax directly or not, nevertheless help pay these taxes, for in the end they are taxes resting upon consumption, at least to a large extent. Every tax increases cost, and every man helps to pay those taxes.

If this debt is to be liquidated out of war profits, let us go and find the war profiteers and assess the debt against them. More than that, it is said this money was loaned to help us win the war. We bore our part of the war after we got in. We bore a good deal more than our part of the war financially. We have

a debt of \$220 per capita that was accumulated in about 18 months, and the British Isles have a debt, they say, of \$800 per capita, and they have been accumulating it for 800 years, or thereabouts.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator yield to the Senator from Utah?

Mr. REED of Missouri. I do.

Mr. SMOOT. The debt accumulated by England during the war amounted to more than all the expenses of maintaining England for 226 years before the war, and the bulk of her debt was incurred during the war.

Mr. REED of Missouri. Yes; perhaps the bulk of her debt was incurred during the war, but I say that England has been accumulating her national debt for 700 or 800 years. She was heavily in debt before the war began, and Senators want to charge that all in as a part of her per capita indebtedness and balance it up against our per capita indebtedness.

As has already been shown, for a large part of this debt which she incurred in this war she holds the obligation of other countries, and they will be canceled out of the payment of those obligations, for you may trust it to Great Britain to collect her debts. More than that, is any account to be taken of the fact that she has gathered in a territory so vast that if she were to pay for it she would have to pay more than her entire war indebtedness?

Mr. FRANCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. REED of Missouri. I do.

Mr. FRANCE. In connection with what the Senator has said, I saw a statement the other day to the effect that the former German-African colonies now held by Great Britain were probably worth approximately \$17,000,000,000, embracing, as they do, a territory of about one-third of the area of the United States—a territory largely undeveloped and containing vast potential sources of wealth.

Mr. REED of Missouri. More than that. You figure the per capita indebtedness of the British Empire, in effect, against the inhabitants of the British Isles; you take the entire debt which has been accumulated by the central government and divide it among the 38,000,000 or 40,000,000 people of the British Isles. You utterly fail to take into account the hundreds of millions of people who inhabit the British Empire and who can be taxed by Great Britain if she will. If she does not tax them directly, she taxes them indirectly by exacting and taking over to herself trade advantages which the United States does not enjoy. If she has seen fit to accumulate a debt in order that she may be mistress of the seas and monarch of one-fourth of the land of the globe, I do not propose, as far as I am concerned, to grow sympathetic and impose burdens upon American taxpayers on that account.

Again, suppose there were some profits made by people in this country out of goods sold and paid for with this money; I repeat what I said on yesterday, at that very time Great Britain was buying with her own moneys some \$3,000,000,000 worth of goods in this market, because it was the cheapest place she could buy, and if she bought \$3,000,000,000 worth voluntarily, that is a complete demonstration that she paid no more than the market price in the world for those goods which she paid for with the money she obtained from our Federal Treasury.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. REED of Missouri. I yield.

Mr. WALSH of Montana. The Senator may not have been in the Chamber when I discussed that matter. I called attention to the fact that she paid less than she would have been obliged to pay in the markets of the world, because prices here were controlled by the Government, and she bought at Government prices.

Mr. REED of Missouri. I thank the Senator. I heard that part of his speech, but I have not enlarged upon it.

Mr. SMOOT. Mr. President, the Senator from Montana does not mean that the prices of the great bulk of her purchases in the United States were controlled by our Government?

Mr. WALSH of Montana. I do. Take wheat, for instance, or steel. She bought copper at controlled prices.

Mr. SMOOT. At about what—25 cents a pound?

Mr. WALSH of Montana. Twenty-three and a half cents a pound, when the market price was 35 cents.

Mr. SMOOT. I have the list of the goods England purchased from us, if the Senator will look at it. Was the price of cotton agreed upon?

Mr. WALSH of Montana. I do not believe there was any control of the price of cotton at any time.

Mr. SMOOT. A billion six hundred million dollars' worth of that was bought.

Mr. WALSH of Montana. I have instanced steel; I have instanced wheat; I have instanced copper. Those represent great purchases.

Mr. SMOOT. If the Senator from Montana does not object, I will call attention to the items, and I think the Senator from Montana himself will admit, after looking at the items, that his statement ought to be modified. I put this in the Record in my speech on Wednesday.

Mr. WALSH of Montana. I would be very glad to be corrected if I was wrong. I stated that the prices of most of the things she bought were Government controlled.

Mr. SMOOT. That means that the prices of over half of them were controlled, and I simply rose to correct that statement.

Mr. REED of Missouri. I will be glad to have the Senator put the items in.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Alabama?

Mr. REED of Missouri. I do.

Mr. HEFLIN. If the Senator from Missouri will permit me, I wish to say that during that time the cotton spinners of the United States paid the same price for their cotton the British spinners paid. After all, they got their cotton as cheaply as they could get it anywhere in the world.

Mr. SMOOT. Nobody has denied that; but the price was not controlled by the United States Government.

Mr. REED of Missouri. Whether it was controlled or not, we get back to this, then, that they paid no more than the market price in the world for anything. They paid no more than our people paid for anything. The question of the excess profits exacted from them, then, disappears from this case, and the whole argument based upon it falls.

Mr. SMOOT. I admit what the Senator says in relation to them paying the market price. I will go even further than the Senator did, and say that the reason they bought the goods in the United States was, primarily, because they could buy them cheaper here, and the other great reason was that they could not get them anywhere else in the world.

Mr. REED of Missouri. Two very good reasons.

Mr. SMOOT. I will go further than the Senator went. But I rose to say that the prices of the bulk of the purchases which make up the \$7,219,408,669.94 were not controlled. The prices were not controlled in a majority of the cases.

Mr. REED of Missouri. Has the Senator a statement of the things that were sold?

Mr. SMOOT. Yes.

Mr. REED of Missouri. Will the Senator allow me to glance over it?

Mr. SMOOT. Here is the statement of every purchase made by England.

Mr. REED of Missouri. Let us see about this robbery, even by the robber barons of our country, for which we are expected to attack the American people—if we had any robber barons.

According to this statement, after we began to make loans to England we sold of cereals \$1,375,379,343. That figure, to my mind, is astonishingly low, but let me treat it as accurate.

Mr. SMOOT. That includes not only wheat but all cereals sold at the time.

Mr. REED of Missouri. I understand.

Mr. SMOOT. I will say to the Senator that the figures are the figures of the Government. Every exportation of goods during the war was reported to the Government, to whom sent, and the price at which sold. That was the requirement made by the Government upon every exporter. The statement is a compilation of the purchases made by England.

Mr. REED of Missouri. Now, what happened in regard to wheat? We did regulate the price of wheat. We sold and delivered to our allies wheat of the finest grade at \$2 and, I think, later at \$2.26 a bushel. That same character of wheat purchased in Europe at that time from European sources was bringing \$4 and \$4.50 a bushel. So they obtained the wheat in America for substantially one-half the price it probably or might have gone to, and had that much advantage over the world market. The Senator said this figure is not confined to wheat. Every man knows that the reduction in the price of wheat affected the price of every other cereal, and necessarily so. I think no one will deny that. So that upon the farm products usually descended the effect of these regulated prices.

Let us turn to the question of meats. Everybody knows that the Food Administration called in the great packers of the country and, after negotiation with them, the prices of meats were fixed. They even went to the extent of undertaking to fix the prices of pork based upon the number of bushels of corn



it took to make 100 pounds of pork. They did the same thing with reference to cattle. So that our Food Administration—and I do not pause to criticize it—in its efforts to keep down the prices to the American people, at the same time kept down the prices to the governmental consumers who were purchasing from us, to wit, our allies in the war. I do not find meat in the schedule to which the Senator called my attention.

Mr. SMOOT. The Senator will find foodstuffs.

Mr. REED of Missouri. "Other supplies" might include it and might not. Now, what about transportation and shipping? They paid to us for transportation and shipping \$48,890,000, according to the statement. What did we pay to them? We paid to Great Britain alone, I will not say for transportation and shipping alone—indeed, I am certain it was not for that alone, but that was a large item entering into the total—\$394,799,000. Did they lose any money on that transaction? The rates they charged us for transporting our soldiers and our munitions were war rates and were undoubtedly as high as were the prices of anything we sold to them.

Mr. SMOOT. I will say to the Senator that the only reason why I rose was so that the RECORD might be correct as to our exportations and the purchases made by England. I might add also that if it had not been for our loans to England, England could not have purchased those goods. It would have been an impossibility for her to do it at all. Therefore our people would not have had the market.

Mr. REED of Missouri. I do not know whether the Senator is correct in that or not.

Mr. SMOOT. The Senator knows England did not have that amount of gold. The Senator knows \$7,000,000,000 is more than half of the gold in the world to-day. The Senator knows that Great Britain did not have \$1,000,000,000 worth of gold when she entered the war.

Mr. REED of Missouri. Oh, I have heard that old argument before, and I am surprised at the Senator repeating it, about there not being enough gold. Somebody sits down and adds up all the gold there is in the world and then adds up the debts and finds that the debts are about a thousand times as much as the gold and then asks, "How are we ever going to be able to pay the debt?" He seems to forget that the same gold dollar may pay 100 debts in one day.

Mr. SMOOT. They could not have paid us if we had not advanced the money to them.

Mr. REED of Missouri. I imagine England would have been able to get something; but if she had not, then it is a certainty that she would have gone to the wall in the war, and our support was of such a nature as to be vital to her, and therefore all the more reason why she should willingly pay what she owes.

Mr. SMOOT. Certainly. I agree with the Senator that she would have gone to the wall. No matter whether we loaned her the money or not or whether it was twice that amount, unless we had sent our men across the water England and France would have gone to the wall. There is no doubt about that, in my opinion.

Mr. REED of Missouri. There is added in the \$7,000,000,000 an item of \$337,000,000 of interest and \$353,000,000 of maturities. There is also added \$16,000,000 of relief. There is added \$261,000,000 of silver. An item of food for northern Russia, \$7,000,000, is added. So when we eliminate the items of which I have just spoken the proportion of the cereals and of controlled products which we sold to Great Britain is a very considerable percentage of the total.

Mr. SMOOT. Quite a considerable percentage; but I want to say to the Senator that the Russian relief was not our relief. That was the amount of purchases England made from us for her share of the relief that went to Russia.

Mr. REED of Missouri. I suppose the Senator will not claim that we gouged her in the silver that was sent to India?

Mr. SMOOT. I have not said that we gouged her on anything. I will say to the Senator, so far as the silver was concerned, that in the past until the time of the war she virtually controlled the trade of India because of purchasing her silver in the market at 50 cents an ounce and charging it to India at \$1.27 an ounce.

Mr. REED of Missouri. Exactly. That is the way Great Britain deals.

Mr. SMOOT. That is, with India.

Mr. REED of Missouri. Yes; with her subject peoples. She buys silver at 50 cents and turns it over to them at \$1.27 and makes them take it, but when we deal with her we ought to cut down our account below what it really is!

Mr. SMOOT. No; the Senator is wrong when he makes the statement that she makes them take it. The Senator knows

that in India they do not want paper money. It is silver money that they want, and they have very little gold.

Mr. REED of Missouri. Why does she not turn over to her subject people 50-cent silver at 50 cents? The Senator said she does not make them take it. I say she makes them take it because she is the Government and because there is a British bayonet, either actually or figuratively, pressed against the back of every inhabitant of India.

Mr. SMOOT. Well, I am not going into that question.

Mr. REED of Missouri. Of course not. I am obliged to the Senator for an example of the way Great Britain settles, not with her debtors, but with her subject people. "We will buy in the markets of the United States silver at 50 cents and we will make you take it or we will turn it over to you and impose it upon you at 127 cents." Ergo: We ought to be very merciful to England and remit part of her debt owing to us.

That is not the only transaction that Great Britain conducts in that way. Think of the spectacle. She took a mandate over the oil lands in Turkey and, as I understand, all of the mandates provided that the property should be held in trust and all nations should have similar rights. But I am told that the representatives of the successors of our friend Rockefeller, whose name has been so often used, went over there to undertake to start drilling for oil and were warned off the premises. England has that oil and England will keep it until the crack of doom and she will sell it like she sells the silver for 140 per cent profit. So, Mr. President, I think we may dismiss this question of a large profit.

Mr. WALSH of Montana. I should like to inquire of the Senator from Utah if \$200,000,000 of silver which we turned over to England is included?

Mr. SMOOT. Not a dollar of it is included in the settlement.

Mr. WALSH of Montana. I meant included in the Government-controlled commodities.

Mr. SMOOT. No.

Mr. WALSH of Montana. But that was Government-controlled, was it not?

Mr. SMOOT. The silver was Government-controlled.

Mr. WALSH of Montana. Yes; that is to say, with the market price of silver at that time running anywhere from \$1.20 to \$1.37½ we turned over to Great Britain 200,000,000 ounces of silver at \$1 an ounce.

Mr. SMOOT. Yes; according to a law which was passed by Congress.

Mr. WALSH of Montana. Yes; that is what I mean. Great Britain had that advantage; instead of exacting from Great Britain the general world market price, we controlled the price of silver in her interest, fixing it at \$1 an ounce, and let her have 200,000,000 ounces of silver at \$1 an ounce.

Mr. SMOOT. Yes; and there were very good reasons for that.

Mr. GLASS. May I inquire would the Senator have had us make a profit out of our ally with whom we were then engaged in a common war?

Mr. WALSH of Montana. No; I make no complaint whatever of the transaction.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. REED of Missouri. I am now yielding to the Senator from Montana.

Mr. WALSH of Montana. Mr. President, I make no complaint whatever about the transaction to which I have referred; it was perfectly proper; but I now object to an argument based upon the proposition that we profiteered out of England and therefore we ought to yield something of the rate of interest that she promised to pay us.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield further?

Mr. REED of Missouri. I yield.

Mr. SMOOT. I do not wish to take the time of the Senate nor of the Senator from Missouri to go into the silver question, but the Senator from Montana [Mr. WALSH] knows exactly why England was allowed to have that amount of silver; and the Senator also knows that if it had not been done the West would not have been receiving a dollar an ounce for its silver to-day.

Mr. WALSH of Montana. Mr. President, I hope the Senator from Utah understands that the arrangement was entirely satisfactory to me; it was honorable to both sides; I would not have had it otherwise; but I can not sit here in silence and hear our country traduced as having been profiteering at the expense of our allies and exacting from them exorbitant prices for the products which they bought, when, as a matter of fact, we controlled the prices of our commodities in their interest.

Mr. SMOOT. Well, Mr. President, we controlled some of them; nobody doubts that, and I never made a statement to the contrary. Simply for the Record I made a statement that the record will prove.

Mr. REED of Missouri. Mr. President, the other side of the matter is that we purchased from Great Britain during the World War enormous quantities of materials, and we bought them at World War prices. So they were buying from us products, the price of which was controlled by law or regulation or market conditions, below World War prices, while we were buying from them at full war prices.

I have only insisted—I insisted on yesterday, and the Senator from Montana [Mr. WALSH], with great force, has done so today, and I am now merely reiterating the argument—that there is no reason in morals or in business for us to remit any part of this obligation upon the ground that the money was expended in America. That is the sole point that is now at issue. No man is complaining because our Government did not take advantage of our allies. All that we are claiming is that no advantage was taken, and that the defense offered for the bill on the ground that our manufacturers made some money is a defense without merit.

Another argument has been made here to which I wish briefly to advert. It was made by the Senator from Ohio [Mr. POMERENE] and had to do with the ability of the United States hereafter to borrow money at a low rate of interest. Senators will notice that under the terms of this bill during the first 10 years Great Britain is allowed the small rate of interest of 3 per cent, and after that is to pay 3½ per cent. So at the time when a low rate of interest will probably prevail in the world she will be paying the higher rate, whereas now that the higher rate is certainly upon us she escapes with the low rate. Accordingly, for the first 10 years she will pay 3 per cent, against our 4½ per cent, with the probability that we can not during that period refund our indebtedness at less than 4 per cent or 4½ per cent. But after the 10 years shall have run, when, we will assume, the world will have settled down and rates of interest may go to 3 per cent, then when her 3½ per cent interest begins to accrue she will have the right to pay at will—and that implies and carries with it the right, of course, to refund—her indebtedness. So when the low rate comes she can take advantage of it. On the other hand, while the high rate exists she takes advantage of that, and we are the only party to the contract who is almost certain to be worsted in the transaction.

The credit of this Nation was the best of any country in the world, and yet our first Liberty loan of 3½ per cent we converted into 4 per cent bonds, and then converted those bonds into 4½ per cent bonds. The second Liberty loan issued at 4 per cent was converted into 4½ per cent. Our Victory loan notes were negotiated at 4½ per cent. So we have been obliged since we loaned out this money to raise our rates of interest and those rates of interest in part—the distinguished Senator from Virginia perhaps will remember the dates—were raised subsequent to the war, and after peace had come. I undertake to say that those who were managing the Treasury were obtaining the money at the best terms they could.

England to-day is paying 5 per cent and 5½ per cent, and Canada is paying 5 and 5½ per cent, and we are paying 4 per cent at the best. Yet gentlemen have the temerity to tell us that we will not lose by this transaction when we loan money at 3 per cent and pay from 4½ to 4½ per cent for the identical money we have thus loaned. I am not much of a financier, but I have paid enough interest to know the difference between 3 per cent and 4½ per cent when I have to pay it.

Mr. ASHURST. The Senator probably does not get it at any such rate.

Mr. REED of Missouri. No; I can multiply both figures by two and then approximate the rates I pay.

So let us have done with this plea that no profit was made. It is not sound. A profit was made. Our people who had to pay the 4½ per cent interest on the bonds, the taxpayers of this country, did not make a profit; but profit was made by a lot of gentlemen who put the bonds so far down in their pockets as, to paraphrase an utterance of George Vest, the American eagle thereon could not be heard to scream.

What about the sentiment? Great Britain had her war burdens to carry and we had ours. She could not carry all of hers; she came over here and borrowed some money. They charged us for every service they could think of; they charged us, in some instances at least, for the very soil on which our soldiers stood while they were turning back the German tide. That was dollars and cents. When we objected in the committee to having turned over to Great Britain a large sum of cash while

they were in default to us for interest, the Secretary of the Treasury in substance stated, "We are settling each of these transactions in cash as we go along, and when we get to the debt England will respond in like manner." He did not mean, of course, in cash, but in an equally honorable settlement. I think this is enough about war profits.

Mr. McKELLAR. Mr. President, I wrote to Secretary Mellon yesterday asking him to give me a statement of the amount of interest payable to the United States on account of the proposed refunding bonds to be issued by Great Britain, calculated on a basis of 4½ per cent per annum. Secretary Mellon has sent me the figures. These ought to be interesting to Members of the Senate, and I ask permission to have them incorporated in the Record.

In this connection, Mr. President, I ask the reporter to include in those figures of interest payments the column showing the principal payments as shown on page 3544 of the Record of February 13, so that the Senate can have at a glance the identical figures showing what we would receive annually if we were paid back exactly what we pay out on these bonds.

The PRESIDING OFFICER. Is there objection to the request preferred by the Senator from Tennessee? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

TREASURY DEPARTMENT,  
Washington, February 15, 1923.

HON. KENNETH MCKELLAR,  
United States Senate, Washington, D. C.

MY DEAR SENATOR: In compliance with your request of the 14th instant I am sending herewith a table showing the annual interest payments that would be necessary if the interest rate upon the British debt was 4½ per cent per annum.

Sincerely yours,

A. W. MELLON,  
Secretary of the Treasury.

	Statement of amount of interest payable to the United States on account of the proposed refunding bonds to be issued by Great Britain, money at 4½ per cent per annum. <sup>1</sup>	Schedule of annual principal installments to be paid on account of principal. <sup>2</sup>	Total interest and principal.
1.	\$195,500,000	\$23,000,000	\$218,500,000
2.	194,522,500	23,000,000	217,522,500
3.	193,545,000	23,000,000	217,545,000
4.	192,567,500	23,000,000	217,567,500
5.	191,590,000	23,000,000	217,590,000
6.	190,612,500	23,000,000	217,612,500
7.	189,635,000	23,000,000	217,635,000
8.	188,657,500	23,000,000	217,657,500
9.	187,680,000	23,000,000	217,680,000
10.	186,702,500	23,000,000	217,702,500
11.	185,725,000	23,000,000	217,725,000
12.	184,747,500	23,000,000	217,747,500
13.	183,770,000	23,000,000	217,770,000
14.	182,792,500	23,000,000	217,792,500
15.	181,815,000	23,000,000	217,815,000
16.	180,837,500	23,000,000	217,837,500
17.	179,860,000	23,000,000	217,860,000
18.	178,882,500	23,000,000	217,882,500
19.	177,905,000	23,000,000	217,905,000
20.	176,927,500	23,000,000	217,927,500
21.	175,950,000	23,000,000	217,950,000
22.	174,972,500	23,000,000	217,972,500
23.	173,995,000	23,000,000	218,000,000
24.	173,017,500	23,000,000	218,022,500
25.	172,040,000	23,000,000	218,045,000
26.	171,062,500	23,000,000	218,067,500
27.	170,085,000	23,000,000	218,090,000
28.	169,107,500	23,000,000	218,112,500
29.	168,130,000	23,000,000	218,135,000
30.	167,152,500	23,000,000	218,157,500
31.	166,175,000	23,000,000	218,180,000
32.	165,197,500	23,000,000	218,202,500
33.	164,220,000	23,000,000	218,225,000
34.	163,242,500	23,000,000	218,247,500
35.	162,265,000	23,000,000	218,270,000
36.	161,287,500	23,000,000	218,292,500
37.	160,310,000	23,000,000	218,315,000
38.	159,332,500	23,000,000	218,337,500
39.	158,355,000	23,000,000	218,360,000
40.	157,377,500	23,000,000	218,382,500
41.	156,400,000	23,000,000	218,405,000
42.	155,422,500	23,000,000	218,427,500
43.	154,445,000	23,000,000	218,450,000
44.	153,467,500	23,000,000	218,472,500
45.	152,490,000	23,000,000	218,495,000
46.	151,512,500	23,000,000	218,517,500
47.	150,535,000	23,000,000	218,540,000
48.	149,557,500	23,000,000	218,562,500
49.	148,580,000	23,000,000	218,585,000
50.	147,602,500	23,000,000	218,607,500
51.	146,625,000	23,000,000	218,630,000
52.	145,647,500	23,000,000	218,652,500
53.	144,670,000	23,000,000	218,675,000
54.	143,692,500	23,000,000	218,697,500
55.	142,715,000	23,000,000	218,720,000
56.	141,737,500	23,000,000	218,742,500
57.	140,760,000	23,000,000	218,765,000
58.	139,782,500	23,000,000	218,787,500
59.	138,805,000	23,000,000	218,810,000
60.	137,827,500	23,000,000	218,832,500
61.	136,850,000	23,000,000	218,855,000
62.	135,872,500	23,000,000	218,877,500
63.	134,895,000	23,000,000	218,900,000
64.	133,917,500	23,000,000	218,922,500
65.	132,940,000	23,000,000	218,945,000
66.	131,962,500	23,000,000	218,967,500
67.	130,985,000	23,000,000	218,990,000
68.	130,007,500	23,000,000	219,012,500
69.	129,030,000	23,000,000	219,035,000
70.	128,052,500	23,000,000	219,057,500
71.	127,075,000	23,000,000	219,080,000
72.	126,097,500	23,000,000	219,102,500
73.	125,120,000	23,000,000	219,125,000
74.	124,142,500	23,000,000	219,147,500
75.	123,165,000	23,000,000	219,170,000
76.	122,187,500	23,000,000	219,192,500
77.	121,210,000	23,000,000	219,215,000
78.	120,232,500	23,000,000	219,237,500
79.	119,255,000	23,000,000	219,260,000
80.	118,277,500	23,000,000	219,282,500
81.	117,300,000	23,000,000	219,305,000
82.	116,322,500	23,000,000	219,327,500
83.	115,345,000	23,000,000	219,350,000
84.	114,367,500	23,000,000	219,372,500
85.	113,390,000	23,000,000	219,395,000
86.	112,412,500	23,000,000	219,417,500
87.	111,435,000	23,000,000	219,440,000
88.	110,457,500	23,000,000	219,462,500
89.	109,480,000	23,000,000	219,485,000
90.	108,502,500	23,000,000	219,507,500
91.	107,525,000	23,000,000	219,530,000
92.	106,547,500	23,000,000	219,552,500
93.	105,570,000	23,000,000	219,575,000
94.	104,592,500	23,000,000	219,597,500
95.	103,615,000	23,000,000	219,620,000
96.	102,637,500	23,000,000	219,642,500
97.	101,660,000	23,000,000	219,665,000
98.	100,682,500	23,000,000	219,687,500
99.	99,705,000	23,000,000	219,710,000
100.	98,727,500	23,000,000	219,732,500

<sup>1</sup> As furnished by Secretary Mellon.

<sup>2</sup> From page 3544, CONGRESSIONAL RECORD.



	Statement of amount of interest payable to the United States on account of the proposed refunding bonds to be issued by Great Britain, money at 4 per cent per annum.	Schedule of annual principal payments to be paid on account of principal.	Total interest and principal.
50.....	\$81,175,000	\$119,000,000	\$200,175,000
51.....	76,117,500	123,000,000	199,117,500
52.....	70,890,000	127,000,000	197,890,000
53.....	65,492,500	132,000,000	197,492,500
54.....	59,882,500	136,000,000	195,882,500
55.....	54,102,500	141,000,000	195,102,500
56.....	48,110,000	146,000,000	194,110,000
57.....	41,905,000	151,000,000	192,905,000
58.....	35,487,500	156,000,000	191,487,500
59.....	28,857,500	162,000,000	190,857,500
60.....	21,972,500	167,000,000	188,972,500
61.....	14,875,000	175,000,000	189,875,000
62.....	7,437,500	175,000,000	182,437,500
Total.....	\$8,172,665,000	4,600,000,000	12,772,665,000

Mr. WALSH of Montana. Mr. President, will the Senator give a summary of the statement?

Mr. McKELLAR. I was just going to do that.

The principal payments are made for the 62 years precisely in the manner and in exactly the same amount as in the proposal of the commission. The interest payments begin the first year with \$195,500,000, and gradually decrease in exactly the same way until the sixty-second year, when the amount is \$7,437,500. The total amount of interest paid during the 62 years will be \$8,172,665,000. The total of principal and interest to be paid will be \$12,772,665,000 instead of \$11,105,965,000, as proposed by the commission, making a difference of \$1,666,700,000 that will have to be met by taxation upon the American people.

Mr. President, that is all that I have to say at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the committee.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Frelinghuysen	La Follette	Reed, Pa.
Ball	George	Lodge	Robinson
Bayard	Gerry	McCormick	Sheppard
Brookhart	Glass	McKellar	Shields
Broussard	Gooding	McKinley	Smoot
Bursum	Hale	McLean	Spencer
Caldwell	Harris	McNary	Stanfield
Cameron	Harrison	Moses	Sterling
Capper	Heflin	Nelson	Sutherland
Coff	Hitchcock	New	Swanson
Curtis	Johnson	Nicholson	Townsend
Dial	Jones, N. Mex.	Norris	Trammell
Dillingham	Jones, Wash.	Oddie	Wadsworth
Ernst	Kellogg	Overman	Walsh, Mont.
Fernald	Keyes	Phipps	Weller
Fletcher	King	Pomerene	Willis
France	Ladd	Ransdell	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present. The question is upon agreeing to the amendment proposed by the committee.

Mr. WALSH of Montana. I inquire if the amendment is indicated by the crossed-out lines on page 2, lines 5 to 8, inclusive?

The PRESIDING OFFICER. It is.

Mr. HITCHCOCK. Mr. President, when this matter of the settlement of the British debt with the representatives of Great Britain was first raised I for one received it in a very sympathetic way. In the first place, I appreciated the importance of reaching a settlement, as I think everyone else has appreciated that importance. In the second place, I shared with most people the feeling that the present attitude of Great Britain toward world affairs is such as to merit substantially the approval and cooperation of the American people. I was glad to participate in the legislation which reduced the rate of interest which Great Britain was being charged from 5 per cent to 4 per cent. I should be glad to meet any views presented by the representatives of Great Britain concerning the maturity of this loan. I think it would be a mistake for the United States to insist upon the terms of the existing obligation,

which require payment within 25 years. So, when the representatives of Great Britain came to this country to discuss the matter with the American commission, I felt a natural disposition to sustain and support any settlement that could be made within reason, not only just to the people of Great Britain but even to the extent of being generous.

I appreciate the fact, frequently asserted here, that Great Britain is overtaxed. I appreciate the fact that the people of the British Isles at the present time are paying probably a higher rate of taxation than any people in the world, and I know that much of that taxation falls upon their citizens of a comparatively small income. I was, therefore, prepared to receive in a very sympathetic way any adjustment of the indebtedness which might be arrived at between our commission and their representatives which commended itself to reason and fairness.

Even after the President of the United States had presented this matter to the joint session of the Congress, I was disposed to think that I could give it my support. I did not quite view the matter as he did, as a monumental exhibition of British stability and of the high credit of Great Britain, because I knew that ever since the day of the armistice British representatives have been frequently appealing to representatives of our Government for an alleviation and a modification of the indebtedness. But I appreciated the fact that the British Government has serious problems on hand, and I was willing to solve all doubts in favor of meeting the arrangement which might be arrived at.

My first disappointment in this matter was upon ascertaining that while Great Britain had sent to this country two very able statesmen and financiers, who probably presented what was the fruit of British study in the matter, presenting it in a very able way, there was no evidence whatever that representatives of the Government of the United States had done anything to present to the British commission the equities on our side of the case. The only evidence that has gotten to the public at all is the evidence which was brought out by the Committee on Finance of the Senate, and that committee was able to secure testimony only from the Senator from Utah [Mr. SMOOT], and the Senator from Utah, evidently acting under some understanding with his colleagues, or with the administration, was very careful not to give to the Committee on Finance, and through them to the Senate, any real information concerning the attitude or action of the American representatives in arriving at a bargain with the British.

I find incorporated in the hearings before the Committee on Finance a very able and a very ingenious statement by the British representative, the right honorable the Chancellor of the Exchequer, at the opening meeting of the Anglo-American Debt Commission, and anyone who reads that statement must be impressed, as I have been, with the ingenuity and force with which the chancellor presented the British side of the case to the commission. After that had been incorporated in the RECORD in a prominent way, one of the members of the Committee on Finance, the Senator from Wisconsin [Mr. LA FOLLETTE] said, "Who replied to that statement by Mr. Baldwin, if a reply was made by anybody?"

That statement by the British chancellor called for a reply. It was the British side of the case. Our commissioners were there to present the American side of the case, but when the Senator from Wisconsin made that inquiry as to who had presented our side of the case in reply to that able argument by the British chancellor, the Senator from Utah [Mr. SMOOT] said, "No reply at length was made." That indicated to me that perhaps the American side of the case had not been adequately presented to the representatives of Great Britain and that we had merely accepted their statement of the case as the basis or the foundation of this proposed settlement.

There is another feature about this that I do not like, and I think it must have occurred to other Americans as well. This proposition is brought before the world as an American proposition to the British Government. We first learned of it, virtually, through the papers after the British debt commission had returned to England, and it was held up before the world as our proposition to Great Britain. To me it is almost unthinkable that our representatives under the existing law should have made that proposition to the British Government, and I think there is very reasonable circumstantial evidence which indicates that in fact that was the British proposition to our representatives.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. HITCHCOCK. I do.

Mr. SMOOT. I want to say to the Senator that that is not the case.

Mr. HITCHCOCK. I would be glad to hear from the Senator exactly what occurred. We are all in the dark.

Mr. SMOOT. Not at all. If the Senator will read the hearings, they will tell him what occurred. The first proposition that was made by England was an annuity plan, virtually upon a basis of 2 per cent, as I stated before the committee. That was not considered by the commission a moment. No discussion took place on it other than for the American commissioners to simply say it was out of the question.

Next, the British commissioners made a proposition based upon their budget, and under the budget they said they could perhaps pay 2 per cent interest. That was not considered any length of time by your commission.

After discussion pro and con between the commissioners the Chancellor did say that he thought he could get the Government of Great Britain to agree to pay 3 per cent—straight 3 per cent. That was not agreed to by your commission. After that the commission did say that they would submit, first to the President, and ask him to recommend to Congress, a proposition for the British to pay  $3\frac{1}{2}$  per cent interest per annum, the payments to be made upon the principal, beginning with \$23,000,000 and ending with \$175,000,000, for the length of time it would take to settle the debt. That figured out a little less than the number of years given in the statement incorporated in the Record the other day, of which the Senator has a copy.

That proposition was cabled to the British Government and it was not accepted by the British Government. Then further meetings were held between the representatives of Great Britain and the American commissioners, and a compromise was made whereby the interest for the first 10 years would be 3 per cent and for the balance of the time  $3\frac{1}{2}$  per cent. The Chancellor of the Exchequer, Mr. Baldwin, and Mr. Montague Norman, the governor of the Bank of England, went home to present that proposition. They thought that it was useless to present it; they were not in a position to say that it would be accepted. They had no authority to accept it, they claimed to our commission. They arrived in England and presented it to the Premier, Mr. Bonar Law, and the council. They then wired to the British ambassador here, saying that they would accept it in principle, and when the commission was called the ambassador appeared before the commission and stated that his Government had asked as a privilege that they be allowed to pay half of the interest for the first 10 years in bonds and half of it in cash, and he gave the reasons why the English Government requested that. Your commission decided that rather than have no settlement they would grant that request, and that proposition is now before this body.

Mr. HITCHCOCK. Mr. President, that does not greatly modify the statement I have made. The British commission went home and got the agreement of the British Government to the matter before the American Government had agreed to it, and it really comes to us as a proposition from Great Britain to the American Government, the Government of Great Britain having agreed to it.

Mr. SMOOT. Mr. President, there is no agreement. This proposition is made, and it will not ripen into an agreement unless Congress authorizes that it shall.

Mr. HITCHCOCK. Naturally; but why, then, call it an American offer to Great Britain? Great Britain has agreed to it, and she is offering it to us, as a matter of fact. No matter what twist you may give to the words, the British commission agreed to it, the home Government has agreed to it, they cabled over here that they had agreed to it, and I say it is really a British proposition to us. It is uncandid to submit it to the world as an American proposition, and put the Senate of the United States in the light of repudiating it, if it does so.

Mr. SMOOT. I do not know who has stated that it was an American proposition. It is a compromise between the two countries arising out of a proposition which, if agreed to by Congress, will be put into operation.

Mr. TOWNSEND and Mr. GLASS rose.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. HITCHCOCK. I yield to the Senator from Michigan.

Mr. TOWNSEND. I am a little curious to know what difference it makes whether this proposition originated with Great Britain or with the United States. The representatives of the two nations met together for the purpose of composing this loan, and putting it into such form that it could be refunded. So I am curious to know why the Senator emphasizes the question as to where the particular plan originated.

Mr. HITCHCOCK. I have no objection to stating. I have said, in passing, that that was one of the things which tended to check my disposition to approve this proposition. I received this, as I have stated, in a sympathetic way. I approved the idea of our coming to a just and even a generous settlement with Great Britain, but I do not like the seeming lack of candor that has been exhibited here in the attempt to foist this upon us as an American proposition which Great Britain has accepted, when I feel sure the circumstantial evidence is that it is a British proposition which is now being submitted to us.

That is not all. In his message, as has been referred to here already, the President sounded the praises of Great Britain for entering into such a generous contract as this is, which he said marked a great step in international keeping of faith. That does not appeal to me, because I find, on examining these figures, that instead of Great Britain living up to the contract she made with the United States, this settlement means a tremendous concession to Great Britain, and shows, to my mind, that she is not keeping the contract as originally drawn.

What was that contract? That contract provided that the Government of the United States was to advance a large amount of credit to certain European countries associated with us in the war, among them Great Britain, and it provided that the countries which received that credit or that cash were to reimburse the people of the United States for it, and to pay the same rate of interest the American Government had to pay in borrowing the money.

Now, an examination of the terms of the settlement shows that we are practically contributing, that we are so modifying that contract as to give up something like \$1,000,000,000 of what we would be entitled to at the end of 62 years if the contract were lived up to.

Mr. McKELLAR. The Secretary of the Treasury has presented figures that show it was \$1,666,700,000.

Mr. HITCHCOCK. It may be my figures are not sufficient. But here is the way I have arrived at my conclusion: As set forth in the message of the President, the principal in December last was \$4,600,000,000, the interest payments will aggregate \$6,505,965,000, a total of \$11,105,965,000. That is what Great Britain will pay to the United States during the 62 years if this legislation is enacted and the settlement is made and Great Britain keeps the contract—\$11,105,965,000.

But under the existing contract the interest at the rate of  $4\frac{1}{2}$  per cent, as we have already conceded the rate would be, during that same period of time, under the same arrangements for payment, the total amount which Great Britain would pay us would be \$12,121,000,000; but instead of getting that amount, as we would under the  $4\frac{1}{2}$  per cent rate of interest, we will get only \$11,000,000,000, which would be a sacrifice of \$1,015,035,000.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HITCHCOCK. I yield.

Mr. GLASS. Would it not be fairer if the Senator would state that it was denominated in the bond that if the rate of interest then being paid by this Government on its obligations should be increased, the rate accordingly would be increased to the British Government? And is not the converse of that implicitly embodied in the contract—that if the rate of interest to this Government should in any given period of time be materially reduced, the British Government should have the advantage of the reduction?

Mr. HITCHCOCK. I think what the Senator from Virginia has said is absolutely correct; and if the commission had made such an arrangement with the representatives of Great Britain, I should have said "amen" to it absolutely. I do not doubt but what I shall be compelled finally to vote for this arrangement, but I would have been glad if the commission had made an arrangement with the people of Great Britain that we would charge them no higher rate of interest than we ourselves were compelled to pay. I would have accepted it promptly.

Mr. McKELLAR. I think everybody else would have done so.

Mr. GLASS. I merely want to say that it is my considered judgment, as it is that of a great many people who are better qualified to speak than I, that we have a better arrangement than that.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. HITCHCOCK. I yield.

Mr. ROBINSON. I want to mention to the Senator from Nebraska this difficulty about the arrangement he suggests: The object of the settlement is to make a complete adjustment of the debt which Great Britain owes the United States. One of the principal reasons and necessities for the settlement grows



out of the fact that there is a degree of uncertainty about the rate of interest which the loan must bear under the present arrangement. If there is anything in the argument that one of the chief purposes and effects of the settlement would be to stabilize conditions, it must be apparent to any Senator that an arrangement by which the United States Government might refund its bonds at will and frequently readjust the rate of interest that Great Britain should pay would perpetuate the prevailing condition of uncertainty.

I think one of the chief benefits, if it can be said that the settlement will be beneficial, grows out of the fact that it contemplates a complete determination of that question. The question as to the amount of interest to be paid is entirely a different proposition, but my judgment is that it would be ill advised, to say the least, to bring into the settlement of this question any proposition which contemplates a readjustment of the interest rates to be paid by Great Britain at the end of 5-year periods or any other time. It is better to settle the question now, better for both of the Governments directly concerned, and certainly better calculated to bring about a stabilization of business conditions and of interest rates. No one can look into the future and determine with accuracy what interest rates on reliable government obligations will be at the end of the 10-year period. That question will be determined by events which may not be within the control of both Great Britain and the United States, and which certainly will not be within the control of either alone.

But I have the thought that if the hope of the world is to be realized, a day is coming reasonably soon when economic and political conditions will become more settled than at present, and one of the results will be a reduction of interest rates on obligations of the character involved in this discussion. The probability is, unless present conditions continue and the European governments advance more nearly to the brink of bankruptcy and ruin than where they now stand, that the interest rate at the end of a few years will be very much lower than now, and at the end of 10 years may be lower than 3½ per cent.

I also have the thought that if the debts of the governments of Europe are not adjusted and funded in some way bankruptcy menaces them all. No government that enjoys a proud history, no people who are hopeful of their future, will admit bankruptcy. But when we consider the fact that Great Britain now owes \$38,000,000,000, that her economic condition is disturbed, that she is the one nation in Europe that is probably solvent, that her credit and her influence must stand between European civilization and financial and economic ruin, we may well regard an adjustment of the question which eliminates detailed computations as to interest, an adjustment which charges the peace-time rate of interest rather than the war-time rate of interest as one promotive of the best interests of civilization.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Nebraska yield to the Senator from Utah?

Mr. HITCHCOCK. I yield.

Mr. SMOOT. I simply want to add to the splendid statement made by the Senator from Arkansas that if the world should get into another war, we need not expect England to pay any part of the interest if she is involved, and I do not see how it would be possible to have a war now in Europe unless England were involved.

Mr. HITCHCOCK. Mr. President, I have great respect for the opinion of the Senator from Virginia, the Senator from Arkansas, and the Senator from Utah, but this is not a matter of opinion. I may have an opinion that interest rates are going to be very much higher, and personally I am frank to say that as to that I am a pessimist. I believe we are going to have a reasonably good year this year in the United States on account of the secondary inflation in the midst of which we are now. But I believe that hereafter, probably beginning next year, we will enter into a long period of serious depression and suffering as the result of the war, and suffering from similar causes from which Europe suffers.

But the matter before us is not a matter of opinion. I may have one opinion and somebody else another opinion. We are here as the representatives of the American people. We loaned \$4,600,000,000 of their money. We agreed with Great Britain and Great Britain agreed with us that she would reimburse us not only for the principal but for the interest we had to pay in borrowing the money to loan to her. Now we are asked to enter into a settlement with Great Britain which gives her arbitrarily a rate of interest of 3 per cent for the next 10 years and 3½ per cent for the succeeding 52 years, through which time no one can foresee what the rate of interest would be.

What right have we to take from the American people a thousand million dollars during the next 50 or 60 years to help

Great Britain in her distress? What right have we, as is proposed in the bill, to add \$340,000,000 to the loan we have already made her? We made it in war times under our war powers, and here it is proposed to give it to her in times of peace. I am sympathetic with Great Britain. I think Great Britain now is the one nation in Europe that is playing a bold and an intelligent and great part in seeking to stabilize things. But we do not represent Great Britain. We represent the American taxpayers, and I doubt whether we have any right in peace times to put upon the American taxpayer this extra thousand million dollars of taxes that he must pay.

Now, that is not all. I have prepared and I think I shall offer an amendment as follows: Strike out the language contained in lines 4 to 12, both inclusive, on page 3, and insert the following:

Interest to be payable upon the unpaid balances on December 15 and June 15 of each year at a rate which shall be the average rate of interest paid by the United States for the same year upon bonds issued by the United States since April 15, 1917, and still outstanding.

Mr. President, such a provision as that would guarantee to Great Britain as low a rate of interest as the United States can procure. It would give to Great Britain the great credit which our Government enjoys in the markets of the world. It would be a guaranty to her that, so far as the \$4,600,000,000 indebtedness is concerned, she would have to pay no more interest on her bonds than we ourselves would pay. It would not only be just to Great Britain but it would be generous, because where in the world can she borrow money at the same rate at which the United States can borrow it? Mr. President, it would be just to the American taxpayer. I do not think we have any right, as I consider the matter now, in peace times to borrow money and pay a greater rate of interest on our bonds than we exact from Great Britain.

It has been said that this enormous indebtedness of Great Britain, amounting to \$38,000,000,000, is such a burden that her people are sorely distressed, and doubt is raised whether Great Britain could pay us the same rate of interest that we are paying to our own citizens in the United States. Mr. President, where has Great Britain borrowed this \$38,000,000,000? She has borrowed it of her own people. If she is not able to meet her obligations, let her scale down her obligations to her own people. Every nation, if it desires to preserve its credit at all, will take care of its external debts more readily than its internal debts. Great Britain is the richest country in the Old World at least. Great Britain has been the source and center of financial power in the world for centuries, and to-day the capitalists of Great Britain still own, so it is said, two-thirds of the securities and investments in different parts of the world which they owned before the World War began. So it is not complimentary to Great Britain to picture her as being in the attitude of a pauper and a repudiator. I believe that if our commissioners had done their duty in representing the equities of the American side of the case they could have induced the British commissioners to pay upon the money which we have loaned to Great Britain the same rate of interest which we pay on the money which we are borrowing from our own people. I have no objection to the provision which allows the payments to be made over a period of 62 years; I would be perfectly willing to have the time lengthened, if necessary; but I object to any increase of the amount of the debt, and I should be very sorry to be compelled to vote for a bill providing a rate of interest which I believe will be less than we ourselves will be compelled to pay during the next few years.

Mr. President, I offer the amendment which I send to the desk, and ask that it may be printed and lie on the table.

The PRESIDING OFFICER. Does the Senator from Nebraska desire to have his amendment read?

Mr. REED of Missouri. Let the amendment be read, Mr. President.

Mr. HITCHCOCK. I shall be glad to have the amendment read. It is short.

The PRESIDING OFFICER. The amendment proposed by the Senator from Nebraska will be read.

The ASSISTANT SECRETARY. It is proposed to strike out the language contained in lines 4 to 12, both inclusive, on page 3, and to insert the following:

Interest to be payable upon the unpaid balances on December 15 and June 15 of each year at a rate which shall be the average rate of interest paid by the United States for the same year upon bonds issued by the United States since April 15, 1917, and still outstanding.

Mr. WALSH of Montana. I offer certain amendments to the pending bill, which I ask may be printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendments will be received, printed, and lie on the table.

Mr. ROBINSON. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a

recess until 11 o'clock to-morrow; that after the hour of 2 o'clock to-morrow no Senator shall speak more than once nor longer than 10 minutes on the bill, nor more than once nor longer than 10 minutes on any amendment that may be pending or that may be offered thereto, and that during the calendar day of to-morrow, Friday, February 16, the Senate shall reach a conclusion touching the bill and all amendments.

Mr. SMOOT. That means that not later than 12 o'clock to-morrow night the Senate must vote on the bill and amendments.

Mr. ROBINSON. I am satisfied that a vote will be reached earlier than that, with the limitation on debate in effect; but I wonder if the Senator would consent merely to giving effect to the limitation on debate at 2 o'clock to-morrow and let the debate on the amendments run on until concluded in orderly process? I believe a limitation of 10 minutes would make certain the conclusion of debate before the expiration of the calendar day of to-morrow.

Mr. SMOOT. I would want a statement included that the final vote upon the bill and all amendments should be on the calendar day of February 16. That would allow us to run until 12 o'clock to-morrow night.

Mr. McKELLAR. We will have to have a roll call if the agreement undertakes to fix the time for a final vote.

Mr. REED of Missouri. Mr. President, as the Senator stated the proposed agreement, I think there is an error in it. I should like to have it reported as the Secretary has it.

Mr. ROBINSON. I can repeat it; the Secretary has not a copy; it has not been written; I have merely stated it orally.

The PRESIDING OFFICER. The Chair is informed that the Secretary thinks he can state the agreement proposed.

Mr. ROBINSON. Very well; let it be stated.

The ASSISTANT SECRETARY. It is agreed by unanimous consent that from and after the hour of 2 o'clock p. m., on the calendar day of Friday, February 16, 1923, no Senator shall speak more than once nor longer than 10 minutes upon the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations with foreign governments held by the United States of America, and for other purposes," approved February 9, 1922; nor more than once nor longer than 10 minutes upon any amendment offered thereto; and, further, that before an adjournment or recess on said calendar day the Senate shall vote upon the bill through its various parliamentary stages to its final disposition.

Mr. ROBINSON. That was the substance of my request for unanimous consent.

Mr. REED of Missouri. Very well; I thought it was a little different.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of New Mexico. Mr. President, I do not like to interpose an objection, but I am inclined to think I shall be compelled to do so. This is one of the most important measures of a financial nature which can possibly come before the Congress. I do not believe that the time ought to be fixed when we shall be compelled to vote upon amendments without an opportunity to explain them. Heretofore I have frequently made the same suggestion in connection with proposals for unanimous consent having in view the final disposition of bills. My judgment is that, as stated by the Senator from Arkansas, if we limit the debate to 10 minutes, there will be no difficulty in disposing of this bill before 12 o'clock to-morrow night. We may be mistaken about that, however; and there is not a Senator here but who recalls instances where, after an agreement for a fixed time for voting, most important amendments have been presented, we have been required to vote on them, and no one has been permitted to make even an explanation. I submit that that does not comport with an opportunity for deliberation upon such an important matter as this.

Mr. ROBINSON. Mr. President, I hope the Senator from Utah and the Senator from Washington and other Senators will consent to that modification of the unanimous-consent request. I stated a moment ago that I should prefer it in that form. It will lead to the disposition of the bill long before 12 o'clock to-morrow night.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of New Mexico. Mr. President, with the last clause added to the proposal for unanimous consent, I shall have to object.

Mr. ROBINSON. Then, Mr. President, I modify the request so as to provide that after 2 o'clock to-morrow no Senator shall speak more than once nor longer than 10 minutes upon the bill or any amendment that may be pending or that may be offered.

The PRESIDING OFFICER. Is there objection to the request as modified?

Mr. SMOOT. Mr. President, I want it distinctly understood, if that is agreed to, that we will continue in session until the bill is disposed of.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of New Mexico. I have no objection to that.

Mr. LA FOLLETTE. Mr. President, I have just this proviso to add to the unanimous-consent agreement:

*Provided*, That no list of Senators be made at the desk for recognition in violation of the rule of the Senate, and that Senators be recognized in the order of their rising and addressing the Chair.

That has become a practice here which everybody recognizes as vicious and in violation of our rule, and it ought to cease.

Mr. SMOOT. Will not the Senator be content with that understanding without having it put into the unanimous-consent agreement?

Mr. LA FOLLETTE. Why not put it into the unanimous-consent agreement? Then we will be sure to have it carried out.

Mr. SMOOT. It is in the rules, and all that the Senator has to do is to call attention to them.

Mr. LA FOLLETTE. I have called attention to this matter on nearly every occasion. On three or four occasions that come to my mind now I know that Senators on this floor have not been able to speak after they had prepared to speak upon a question simply because the rule has been violated in that way, and I think it is time that the violation should cease. I have been promised by the Presiding Officer again and again that no list would be made up at the desk; the Vice President has so promised; and yet the practice has been resumed, after being suspended for a time. I think this is a good way to cut it off and make an end of it.

Mr. SMOOT. I want the Senator to understand that I have no objection at all to his request.

Mr. LA FOLLETTE. I do understand so.

Mr. SMOOT. The only reason why I made the suggestion I did is because the rules themselves provide for it; and I think, now that the question has been called to the attention of the Senate, that no Presiding Officer is going to have a list made up upon the bill to-morrow.

Mr. LODGE. Let us have the agreement read, please.

The PRESIDING OFFICER. The Secretary will read the proposed unanimous-consent agreement as modified.

The Assistant Secretary read as follows:

It is agreed by unanimous consent that at the conclusion of the business of to-day the Senate will take a recess until 11 o'clock a. m. to-morrow, and that from and after the hour of 2 o'clock p. m. to-morrow—calendar day of Friday, February 16, 1923—no Senator shall speak more than once nor longer than 10 minutes upon the bill H. R. 14254, the debt refunding bill, so called, nor more than once nor longer than 10 minutes upon any amendment offered thereto; *Provided*, That no list shall be kept at the desk giving the names of Senators and the order in which they are to be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. LODGE. Mr. President, the talk around me was such that I was prevented from hearing the agreement as to continuing in session.

The PRESIDING OFFICER. There is nothing in the agreement about continuing in session.

Mr. SMOOT. I made that statement, Mr. President, and I want it as a part of the agreement.

Mr. LODGE. Oh, yes; it is worthless without it.

The Assistant Secretary read as follows:

And further, that on to-morrow the Senate will continue in session until the bill is finally disposed of.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement as modified? The Chair hears none, and the agreement is entered into.

The unanimous-consent agreement entered into is as follows:

#### UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at the conclusion of the business of to-day the Senate will take a recess until 11 o'clock a. m. to-morrow, and that from and after the hour of 2 o'clock p. m. to-morrow—calendar day of Friday, February 16, 1923—no Senator shall speak more than once nor longer than 10 minutes upon the bill H. R. 14254, the debt funding bill, so called, nor more than once nor longer than 10 minutes upon any amendment offered thereto, and that the Senate will continue in session until the bill is finally disposed of.

It is also agreed that during the further consideration of the bill no list shall be kept at the desk of the Presiding Officer giving names of Senators and the order in which they are to be recognized.

#### RECESS.

Mr. SMOOT. I move that the Senate take a recess until 11 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 37 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Friday, February 16, 1923, at 11 o'clock a. m.



## HOUSE OF REPRESENTATIVES.

THURSDAY, February 15, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, we thank Thee for listening to our prayer, which is the best mood of our souls. In this moment we would be humble and penitent, for we are conscious of our failures. We bless Thee that Thou art a God of deliverance, hence we are not outcasts from Thy mercy. In every way may we be worthy of the best traditions of our country and enable us to promote its honor and goodness. Let our faith in Thee transcend the passing hour. Give wisdom and courage that shall declare the righteousness and integrity of free government. Help us to maintain the sanctity of Thy law, to follow the steps of Thy revealed truth, and to love Him who first loved us. Amen.

The Journal of the proceedings of yesterday was read and approved.

## LEAVE OF ABSENCE.

The SPEAKER. The Chair submits the following personal requests which should have been submitted yesterday:

By unanimous consent—

Mr. JOHNSON of Kentucky was granted leave of absence indefinitely on account of important business.

Mr. LINTHICUM for the day on account of death in family.

## LEAVE TO SIT DURING SESSION OF THE HOUSE.

Mr. FAIRCHILD. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have leave to sit during the session of the House to-day.

Mr. DOWELL. Mr. Speaker, I make a point of order that there is no quorum present.

The SPEAKER. The gentleman from New York asks unanimous consent that the Committee on Foreign Affairs be permitted to sit during the session of the House to-day. Is there objection? [After a pause.] The Chair hears none.

## LEAVE TO ADDRESS THE HOUSE.

Mr. GARRETT of Texas. Mr. Speaker, I ask unanimous consent that the Resident Commissioner from the Philippine Islands be permitted to address the House for 10 minutes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the Resident Commissioner from the Philippine Islands be permitted to address the House for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Speaker, I make a point of order that there is no quorum present.

The SPEAKER. Does the gentleman mean to object to the request?

Mr. DOWELL. No; I withdraw the point for the present.

Mr. DE VEYRA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. LINTHICUM. Mr. Speaker, it seems to me the gentleman is entitled to be heard by the House, and I therefore make the point of order that there is no quorum present.

The SPEAKER. It is clear that there is no quorum present. Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Codd	Gilbert	Lampert
Ansorge	Collier	Goodykoontz	Langley
Atkeson	Connolly, Pa.	Gould	Lineberger
Barkley	Copley	Graham, Pa.	Lubring
Benham	Crowther	Griffin	McArthur
Bird	Cullen	Hardy, Colo.	McClintic
Blakeney	Dale	Hays	McSwain
Bland, Ind.	Davis, Minn.	Himes	Mansfield
Bond	Denison	Hudspeth	Mead
Bowers	Drane	Hutchinson	Michaelson
Brand	Dunbar	Johnson, Ky.	Mills
Brennan	Dupré	Johnson, S. Dak.	Montague
Briggs	Dyer	Jones, Pa.	Morrin
Britten	Echols	Kahn	Mudd
Brooks, Ill.	Edmonds	Keller	Newton, Mo.
Brooks, Pa.	Fenn	Kendall	Nolan
Burdick	Fess	Kennedy	O'Brien
Cantrill	Fish	Kless	Olpp
Carew	Focht	Kindred	Overstreet
Chandler, N. Y.	Frear	King	Park, Ga.
Chandler, Okla.	Free	Kitchin	Parker, N. Y.
Clark, Fla.	Freeman	Klecza	Parks, Ark.
Classon	Garner	Knight	Paul

Perkins	Schall	Strong, Pa.	Volk
Rainey, Ala.	Scott, Mich.	Sullivan	Walters
Ransley	Sears	Sweet	Ward, N. C.
Reber	Siemp	Tague	Wheeler
Reed, N. Y.	Smith, Mich.	Taylor, Ark.	White, Me.
Riddick	Snell	Taylor, Colo.	Williams, Tex.
Rose	Sproul	Taylor, N. J.	Winslow
Rossdale	Stiness	Thorpe	Yates
Ryan	Stoll	Vestal	Zihlman

The SPEAKER. Three hundred Members have answered to their names, a quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The Commissioner from the Philippine Islands is recognized for 10 minutes.

Mr. DE VEYRA. Mr. Speaker, I am sending to the reading clerk a copy of a resolution adopted by the Sixth Philippine Legislature, first session, which I ask to be read in my time.

The SPEAKER. The Resident Commissioner sends to the Clerk's desk a resolution which he asks the Clerk to read. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

[Sixth Philippine Legislature, first session, begun and held at the city of Manila, on Monday, the 16th day of October, 1922.]

Concurrent Resolution 5, asking the Congress of the United States for authority to call and hold a constitutional convention for the Philippine Islands.

Whereas it is a principle recognized in all democracies, and especially in the political organization of the United States, that a people must be governed by its own constitution, as the legitimate and efficient form of government of the people, by the people, and for the people:

Whereas the situation of the Philippine Islands is and always will be a substantially anomalous one so long as we are not governed by a constitution approved by our representatives, our present liberties, guaranties, and institutions being but concessions of the Congress of the United States;

Whereas the Filipino people have from the beginning on opposed this anomaly and have expressed their desire to enjoy the benefits of immediate and complete independence;

Whereas the people and the Government of the United States have solemnly promised to grant such independence as soon as a stable government can be established in the Philippine Islands;

Whereas such stable government does now exist and operate in said islands, with the necessary guaranties for permanent success and security;

Whereas it is essential in order that the bonds of friendship between the people of the United States and the people of the Philippine Islands may be strengthened and the best interests of both peoples promoted and assured that the demand of the Filipino people be complied with and the solemn pledge of the American people redeemed in a speedy and satisfactory manner; and

Whereas it is the sense of this legislature that the discussion and approval by the legitimate representatives of the people of a political constitution for the Philippine Islands is an orderly and expeditious procedure for the immediate realization of our independence: Now, therefore, be it

Resolved by the Senate (the House of Representatives of the Philippines concurring), That the Congress of the United States be, and the same hereby is, requested to authorize the Philippine Legislature to provide for a general election, to be held for the purpose of selecting delegates for a constitutional convention, which shall prepare, discuss, and approve a political constitution for the independent Philippine Republic, determine with the Government of the United States what kind of relations, if any, shall in future be maintained between said Government of the United States and the government of the Philippine Islands, and, finally, provide for the election by the people of the Philippine Islands of the officials who shall have authority and perform duties under the constitution so approved and to whom the present government of the Philippine Islands shall be transferred as soon as they shall legally assume office.

The presiding officers of both houses of the legislature are hereby authorized to communicate the text of this resolution to our Resident Commissioners for presentation to the Congress of the United States.

Adopted November 29, 1922.

[SEAL.]

MANUEL L. QUEZON,  
President of the Senate.

MANUEL ROXAS,

Speaker of the House of Representatives.

This resolution, which originated in the Philippine Senate, was finally adopted by the same on November 20, 1922.

[SEAL.]

FERNANDO MA. GUERRERO,  
Secretary of the Senate.

Finally adopted by the house of representatives on November 21, 1922.

[SEAL.]

NARCISO PIMENTEL,  
Acting Secretary of the House of Representatives.

WHY CONGRESS SHOULD AUTHORIZE A CONSTITUTIONAL CONVENTION.

Mr. DE VEYRA. Mr. Speaker, 11,000,000 people are looking forward with the greatest eagerness and hope to the action of this body on the resolution that has just been read.

The Philippine Legislature and the Filipino people consider that the holding of a constitutional convention is the next logical step to be taken in the direction of their promised complete and absolute independence.

Among Americans interested in the Philippine question their opinion is reflected with questions like these: What kind of government will the Filipinos establish when they get their independence? What kind of commercial relations do they desire to maintain with the people and Government of the

United States? Are they really resolved and prepared to establish a democratic government which will guarantee to the Filipino citizen as well as to the foreigner constitutional liberty and equality under the law and to provide the nascent State with such securities as will make it safe from anarchy, class conflicts, dissolution, or invasion?

It is but natural if the American people are somewhat doubtful about the success of the future Philippine State, when they consider differences in race, customs, and traditions which separate us from you. For this reason we should be permitted to call a constitutional convention where we may clearly and unequivocally state what the Philippine republic will be.

A constitutional convention was the process of leading up to a Philippine republic that was recommended to the first Philippine mission which visited the United States, by several members of a joint committee of the American Congress, at a hearing held in Washington June 2, 1919.

At that hearing Senator CHAMBERLAIN, of Oregon, one of the committee members, thought the Philippine Legislature could call a constitutional convention and frame a constitution to be submitted to the American Congress without the authority of the latter. President Harding, then Senator Harding, one of the committee, thought such action might possibly savor of defiance of the United States, indicating he thought it would be better, whether necessary or not, to get the approval of Congress before calling the convention to frame a constitution. This policy is the one which has been followed by the Philippine Legislature in adopting the resolution which the Clerk has just read.

#### THE VITAL FEATURES OF THE PHILIPPINE QUESTION.

In presenting this resolution I ask the most serious attention of this House to certain pivotal facts that can not much longer be ignored:

1. The Philippine Islands, in the language of the American Declaration of Independence, of right ought to be a free and independent State.
2. The people of these islands ardently and increasingly long for such nationality and independence.
3. The United States of America has repeatedly promised this independence. Every President from and including the lamented McKinley to the present administration has solemnly renewed this pledge in the name of the American people.
4. On August 29, 1916, the Government of the United States through and by its Congress and its President entered into a covenant with the people of the Philippine Islands in respect to the time upon which this independence was to be achieved. One only condition precedent was required of the Filipino people. Upon compliance with that condition independence was to be declared.
5. The people of the Philippine Islands, with perfect faith and absolute confidence, accepted this covenant. Diligently they set themselves to the task of complying with that one condition.
6. In every respect and fully they have accomplished that task. Long ago they knew that it was done. Long ago the highest representative of the American Government in the Philippines ungrudgingly certified to the world that it was done. For many months, therefore, the people of the Philippines have been turning an inquiring gaze upon the United States. They have done what was required of them. They have performed conscientiously and exactly their part of the contract. They now ask with growing emphasis, When does the United States intend to perform its part? When does it purpose to redeem its word of honor so unassailably pledged? When will it carry out its promise now so long overdue?

POLICY OF THE UNITED STATES HAS BEEN ALTRUISTIC FROM THE START.

It is in no spirit of ingratitude, in no forgetfulness of the obligations of the Filipino people to the United States, that they now urge this demand. We are well aware that the course of the United States toward the Philippines has been nobly conspicuous among all the records of all nations that have held subject peoples. We know well and we shall never forget that the American occupation has been distinguished by an unprecedented generosity, broad liberty, and an unselfish desire for the welfare and progress of the Philippine people. We know well and shall never forget that we owe you material advantages of almost incomparable nature. Neither overlooking nor obscuring these facts, nevertheless, with the utmost earnestness, with all sincerity, we call your attention to the great underlying truth of national life.

No benefits, however great, and no altruism, however splendid, can compensate any people for the lack of that national independence by means of which alone they can attain to their full normal life, normal development, and normal expression of

their latent powers. Without freedom wealth is nothing, culture is meaningless; existence itself is only the procession of idle images on a purposeless screen.

All the conceivable advantages of good schools, sound finances, adequate means of communication, improved housing, enlarging commerce, growing manufactures, developing industries—count all in their most alluring and desirable forms—and they can compensate no people for the loss of freedom, freedom that the unvarying experience of mankind has found to be the first object of a normal people and immeasurably above all other objects in their eyes.

#### AMERICA HERSELF IS THE REAL INSPIRATION OF FILIPINOS.

In ample defense and proof of our position and feelings about this we cite your record. We call to your mind the magnificent spirit and achievements of your own great struggle for independence. We remind you that in 1779, when the cause of the revolting Colonies seemed far from bright; when with a steadfastness the world will always admire, the Colonies had carried on for five years an unequal and apparently hopeless struggle, commissioners from Great Britain came to them with an offer of every conceivable material advantage, save only independence. They were to have complete amnesty, security, a place of honor at the head of all the British colonies, all restrictions upon trade removed, all burdens of taxation abolished, everything for which they had struggled granted to them except only independence. What was the reply of your forefathers? They stood forth and said to the Government of Great Britain, "We fight here for liberty and with nothing short of liberty will we be content." The example of your forefathers in that ever memorable contest has been and is our inspiration. We complain of no injustice or wrong on the part of the United States. We admit, and with feeling and truth we affirm to the world, that from the United States we have received only the kindest consideration and a much larger share of self-government than was ever granted before to any dominion or colony. Yet diminishing in no way our recognition of your good will we say to you, as your fathers said to the British: We stand here for liberty and independence and with nothing else will be content.

#### THE AMERICAN PEOPLE ARE SYMPATHETIC TO THE FILIPINO PLEA.

We feel also that this faith and this aspiration of ours are entirely in harmony with the feelings, convictions, and sympathies of the great American people. We are assured in our hearts that you wish us to be free no less than we desire freedom for ourselves. We are convinced that the people of the United States have never once wavered from their purpose as expressed in the beginning of their relations with these islands. We are certain that Americans in general desire to leave there a memorable heritage of freedom and nationality for coming generations. If the United States has seemed tardy in carrying out these lofty purposes, if it has seemed negligent of its overdue obligations in the covenants it has made, we are convinced that these defaults are due to the following conditions existing here:

1. Imperfect knowledge of the passionate yearning of the Filipino people for their independence.
2. Imperfect knowledge of the achievements of the Filipino people under the measure of self-government that has been allowed to them.
3. Imperfect knowledge of the democratic nature of society in the Philippine Islands and of the intelligence and moral fitness of their people for complete and immediate nationality.

#### FILIPINO PEOPLE CAN NOT JUSTLY BE EXPECTED TO WAIT LONGER.

But the Filipino people can not justly be expected to acquiesce in the longer postponement of the fulfillment of this covenant because of a lack of familiarity in the United States with the exact conditions that prevail in the islands. In that covenant no provision was made that complete knowledge of the Philippine Islands should first be universal in the United States. Never was it so much as hinted that all people of America must first be convinced of the fitness of the Filipino people for self-government. There was, indeed, no reference to any specific degree of fitness to be attained, there was no mention of any state, intellectual or material, upon which independence was to be contingent. Only one condition was mentioned, only one promise was made, only one thing was stipulated. In the plainest of plain terms the United States undertook to withdraw its sovereignty as soon as a stable government "can be established" in the islands. That condition has been fulfilled and nothing now remains but for the United States to perform its part of the agreement.

Let there should be any chance of misunderstanding about this, let me cite to you the contract of August 29, 1916, upon which all these final appeals to you must be based. The exact



words of that contract are: "It is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein." Simply this and nothing more—"as soon as a stable government can be established therein." What is a stable government? What do we mean by stability in government? About this there is no chance among honest men for a serious difference of opinion. The thing signified is perfectly plain. All governments having foreign relations have in use a standard definition of stability. That drawn up for the State Department of the United States by Mr. Elihu Root when Secretary of State and in use by that department ever since declares a stable government to be one existing with the consent of its people, fulfilling its normal functions at home and able to fulfill its obligations abroad.

THE PHILIPPINES TO-DAY HAVE A GOVERNMENT THAT IS STABLE IN EVERY WAY.

The government of the Philippine Islands that the people established under the terms of the covenant of August 29, 1916, began at once to fulfill all of the terms of this definition and has continued to fulfill them ever since. For almost seven years it has been a completely functioning governmental organism, as complete as any in the world, excepting only for its position as a dominion of the United States.

It has been in all its branches, except its first executive, a government carried on by the native people. It has had a legislature of two chambers elected by the votes of those people and on its own motion conceiving, drawing, and enacting every law that has gone into effect. It has every executive, administrative, and judicial department necessary for the maintenance of a system of justice for the execution of the laws, for public order, the security of life and property, the orderly process of public and private business, for adequate communication, for the development of education, for the expansion of agriculture, for the material, mental, and spiritual needs and welfare of the population. All these works have been directed by officers chosen from the mass of the people. To the record made in these almost seven years by a government of natives, by natives, and for natives, is one to which any Filipino may justly refer with pride. It is a record that before any international tribunal would secure recognition of the right of these people to a place in the circle of nations. It has demonstrated, in theory and in practice, that they know as well as older nations the requirements of an intelligently ordered society, that they have the ability permanently to fulfill all these requirements, and that upon this foundation they are able to build a great, enduring, and progressive nation.

OBJECTIONS TO INDEPENDENCE ARE NOT REASONS BUT EXCUSES.

Against their demands so just, reasonable, and well fortified for the independence so long promised to them, certain objections are urged in this country. These objections do not come from the masses of the American people nor from any impartial persons aware of actual conditions in the islands and solely desirous of the general welfare. They originate in small circles and private interests that derive profit from the present conditions. From such sources, by the route of ingenious and persistent propaganda, it has been urged upon you, for example, that self-government in the Philippine Islands has not been a success because the Philippine National Bank has been in difficulties. Since this bank is to a certain extent a Philippine Government enterprise, 51 per cent of the capital stock being in the insular treasury, the conclusion is drawn for you that the troubles of the bank indicate a native incapacity. It is true that the bank in the months of tremendous upheaval and contraction that followed the abnormal conditions of the Great War suffered losses. So did scores and hundreds of other banks in all parts of the world and from the same causes. It has never yet been suggested in any other case except that of the Philippines that these disturbances were a reason why any people should be deprived of their claims to national existence. The bank has made some unwise loans. Other banks have made unwise loans under less excusable conditions. I have even heard of banks and trust companies in the United States that were said to have done so, not to mention things far worse. I think I have heard of presidents and cashiers of banks that have been imprisoned for actions not merely unwise, but extremely criminal. Yet it has never been alleged that because the president of a great bank in Cincinnati, let us say, was sentenced to imprisonment for wrecking his institution, the American people were thereby proved to be unfit for self-government. As the business conditions in the Far East slowly returned to a normal basis with the subsiding of the

war whirlwinds, conditions of the Philippine National Bank steadily improved. To-day it has outlived its troubles. Henceforth it has an assured road of solid prosperity before it.

NO NATION ON EARTH CAN BE SAID TO BE 100 PER CENT EFFICIENT.

In the next place, it has been urged against Philippine independence that the courts of justice in the islands are behind with their work and that causes are sometimes subject to long delays. Without venturing upon specific comparisons, which might be unpleasant, it seems to me that I have read that in most of the cities of the United States these conditions are much worse than anything that is alleged against the courts in the Philippines. Yet it has never been asserted that because the American courts are overcrowded and undermanned the American people have thereby lost their right to nationality. I think I have read of cases before the most august and honored of all American tribunals, the great Supreme Court of the United States, that have gone four or five years and even longer without adjudication. No one has held this to be a reproach against the American Nation. No one has suggested here that the right to nationality can justly be affected by it. No one should now attempt to use such an allegation as an exclusive indictment of the Filipino people. When I say to you that the courts of the Philippine Islands have dockets no more clogged with cases and no further behind in their work than average courts in the United States, you will understand that this charge against my people is only subterfuge.

PHILIPPINE FINANCES ARE TO-DAY MOST SATISFACTORY.

Third, it has been alleged that the finances of the islands under native self-government has been so mismanaged that it is necessary now for the insular government to negotiate a loan by which it can be relieved of the stringency in its treasury. This again is a great and very strange misrepresentation. The finances of the Philippine government have been managed with an ability comparable with that displayed in the financial department in any other government in this world. It is not true that there has been extravagance, recklessness, or unauthorized expenditures. The legislature has increased the appropriations for education, public works, and other necessary activities, but it has never yet begun to touch the real resources of the islands. The tax rate is one of the lowest in the world. Instead of being "bankrupt," as a most wicked and desperate propaganda has proclaimed, these islands are absolutely solvent, filled with untouched riches, and perfectly able to take care of themselves. The loan upon which these injurious allegations are based was not made because of any financial difficulties but for other purposes and other reasons not necessary to discuss here.

ILLITERACY IS VERY LOW.

Fourth, there is a common misapprehension that, while the United States has done much to spread education in the islands, illiteracy is still very common, and the majority of the people are still virtually in a state of barbarism where they are not actual savages. Against this vicious, grotesque, and monstrous invention I desire to enter the most emphatic protest of which I am capable. In the school year of 1920 and 1921 there were enrolled in the public schools of the Philippine Islands close upon 1,000,000 school children, with more than 100,000 more in the private schools. This was an increase of 152,000 over the previous year, or 19 per cent. In 1920 there were 5,944 public schools in the islands, an increase of 981, or 20 per cent, over the previous year. In 1920 the expenditures for public education amounted to 18,420,000 pesos, or more than \$9,000,000, which was an increase of 23 per cent over the previous year. All these figures have since been still further increased, to the honor of the great and efficient Philippine department of public instruction.

The percentage of illiteracy in the Philippine Islands is to-day very low, indeed. It is less than that of Spain, Portugal, and some other European countries, whose right to independence has never been questioned. It is as small as in some sections of this great Union, whose right to self-government has never been impeached. Of the 11,000,000 inhabitants of the Philippine Islands about 10,000,000 are Christians and civilized, and of the remainder, only a small number can now be regarded as still unreached by civilization. The percentage of these is very much smaller than the percentage of the uncivilized people in the American Colonies when their independent nationality was established and acknowledged. The work of civilizing and educating the small number of Philippine inhabitants still without the pale is being urged with ceaseless activity, so that within a few years there will have been left no people in the entire archipelago that could be described as either savage or barbarous.



A civilized, independent, educated, intelligent population, with the background of centuries of their own history as a racial unit, knowing well the great lessons of the democratic struggle, uplifted and encouraged by the inspiring story of the United States itself, having demonstrated its capability to carry on a modern government, stands forth and asks that its aspirations be gratified. That demand, gentlemen, I lay here before you, and in the name of that population I beg for an answer.

I have mentioned among the reasons why the United States has not redeemed its pledge to the Philippines the general ignorance here of the intensity and unanimity of feeling on this subject among my people. Would that in some way I could have this moment the attention of every American man and woman. I would cry in the ears of this great, intelligent, well-meaning American Nation that in this oversight in ignorance of the truth lies the chance of a terrible disaster. I do declare to you, upon my faith as a man, as a Filipino of the Filipinos, knowing my people well, that as surely as truth is truth and right is right, they are virtually of one mind about this. Heed no one that would tell you otherwise.

"FILIPINOS OF THE SOUTH" HAVE BEEN MISREPRESENTED.

The Filipinos of the south, whom you call Moros, are as much Filipinos as those of the north. It is constantly represented to you that all Moros are opposed to the rest of the nation; that they would prefer to remain under the rule of the United States; and that, therefore, in justice to these so-called dissenters you must not grant independence. Suppose all these allegations to be true, how many Moros are there in the islands? Fewer than half a million. What is the total population? About 11,000,000. You are asked then to refuse the petition of twenty-one twenty-seconds of the population because the last twenty-seconds part does not join in it. Is that just?

Again, supposing these allegations to be true, was there ever any radical decisive action in the story of human affairs about which there was no difference of opinion? It is recorded that in your own struggle for freedom there were many Tories. The Declaration of Independence was opposed in many regions. Even your Constitution was not unanimously adopted. In your Civil War neither North nor South was always of one opinion. If, then, it were true that, among 11,000,000 people, 500,000 did not join with the rest in a demand for nationality, the fact would be insignificant. If independence could be refused on such grounds, there could rightfully be no national progress nor emancipation anywhere. But I say to you that the Filipinos are not divided on this score. Representatives of the Moros have repeatedly voted with the rest of their countrymen in favor of complete and immediate nationality. Leading men among them have joined in every great demonstration and every petition for the same object. In every Moro community will be found plain evidence that in the words of Hadji Butu, the great Moro senator and leader, "the Moros are one with the rest of the Filipinos."

INDEPENDENCE IS THE ONE NATIONAL ASPIRATION OF THE WHOLE FILIPINO RACE.

As to the fervor and profound conviction, the sincerity and depth of the feelings of the people of these islands on this subject of independence, I think it is time a word was said to the American Nation, said in all kindness, in all good will, but with all earnestness. The hearts of these people are set upon national existence. To urge upon them any other plan or system of existence is utterly futile and a mere waste of time. To delay much longer the fulfillment of their natural and irrevocable desires will be fraught with great danger. At the present time the heart of every Filipino beats warmly for the United States; but it so beats because every Filipino has unbounded confidence in the righteous, good faith, honest, and exalted principles of the American Nation. To shatter that faith and to fill its place with distrust, dislike, and a cruel disillusion would be a lamentable and ominous disaster. Not only in the Philippine Islands, but throughout the whole of the Far East, the word would go that morally the great American Republic was no more.

In all those vast regions millions and millions of men are turning to you. Beyond all comparison the United States of America is the greatest power in the Orient, solely because men have faith in you, your word, your professions, and your ideals. To the people of these regions, struggling slowly up from despotism to liberty, a nation like the United States, believed in as the champion of human rights, the defender of democracy, the unarmed soldier of liberty, is all the light they know. If having entered into this sacred covenant with the people of the Philippine Islands the United States should now break its word and show that its professions of high ideals and of honesty were of no more validity than the specious and

filthy tricks with which other nations have seized territory and amassed plunder in the Far East, the result would be a moral debacle hardly to be paralleled in the history of the world. There would be left no foundation for faith. Men would cease to believe in any promise, any treaty, any agreement, any liberty, any government. There would be struck down at once all the hopes of those brave and tireless advocates of democracy and freedom that are now trying to find the road to enduring conditions and national happiness. It would be impossible to exaggerate, it would be impossible even to describe the abyss of despair into which all this part of the world would be plunged if the terrible idea should ever be forced upon mankind there that the United States was no longer a Nation that kept faith and no longer had another purpose than sordid ends of gaining and keeping. The people of the Philippine Islands have far too much faith in and affection for the United States to entertain the slightest belief that such a moral catastrophe is possible.

INDEPENDENCE IS ALREADY OVERDUE.

Yet let me say to you, still with all kindness, with all good will, and with all due restraint, that people can not be expected always to put up with delay and delay and delay in the fulfillment of a contract the term of which has long expired. In accordance with a pledge of its own making, the United States ought to have retired from the Philippine Islands five years ago. Every day that has passed since then has increased the astonishment of the Filipino people at the present procrastination of which they have been the victims. It is not possible that this procrastination can go much longer without profoundly shaking the faith of the Filipino people in the good intentions of the United States. They know perfectly well how fallacious, how fabulous, and how malicious have been the pretenses by which this procrastination has been excused by those who make a profit from continued occupation. It is not in human nature that intelligent men will continue indefinitely to regard a nation with unchanged affection if it refuses to do them justice. It is high time that the American people should understand clearly what impends. You have promised us freedom. On one pretense or another that freedom has been denied to us. We most earnestly and solemnly beseech you not to add to this delay. We have carried out our part of the contract. We beg you to carry out yours. We appeal to the American tradition. We appeal to the wonderful American history.

The same principle with which you endowed the world when you became free still obligates you to be freedom's champion. Again and again, at great cost to yourselves, with the loss of blood and treasure and the lives of heroes, you have thrust the spotless shield of the United States between weak peoples and those that stood to oppress them. Do not, we beg of you, allow that shield to be stained now by an act of oppression on your part.

You that fought for your liberty, that insisted upon your independence, that have carried the light to so many dark places of the world, that have given to mankind in the Great War so magnificent and unequalled an example of unselfish devotion to the cause of democracy and the rights of the oppressed, we appeal to you finally that you shall keep the ancient faith intact, that you shall not quench nor at this late day lower the light you have carried so long and so far, that you shall not make the pledged faith of the United States a thing as soiled and ductile as dicers' oaths.

AN EXCELLENT REVIEW OF THE PHILIPPINE SITUATION.

In conclusion, I should like to offer as supplementing and enforcing these remarks an article that appeared in the December number, 1922, of the Contemporary Review, a leading review of Great Britain. It is entitled "The future of the Philippines," and is by Charles Edward Russell, the well-known American author and lecturer:

[From the Contemporary Review, December, 1922, London, England.]

THE FUTURE OF THE PHILIPPINES.

The problem of the Philippines was one of the many difficulties inherited by President Harding's administration when it came into office. The course taken in dealing with it can be construed only as a censure, and that of a kind unusual, on the preceding administration.

The question, briefly stated, is whether the sovereignty of the United States is to be withdrawn from the Philippine Islands in accordance with the wishes of a majority of the inhabitants thereof, or whether some form of government, radically new to them and possibly fraught with grave dangers, is to be ventured upon in place of the present tenuous connection. The surrender of the islands to their inhabitants has been contemplated from the beginning of the American occupation, but vaguely and as an ultimate and distant aim. The people were to be fitted for self-government, and were thereafter to be set free to manage their own affairs. This benevolent purpose each succeeding administration had avowed, but without hinting a period for the achievement, until August, 1916, when—the Democratic Party being in sole control of all branches of the American Government—a measure known as the Jones Act was passed by Congress and signed by President Wilson. It set forth in the preamble the terms upon which the United States was willing to withdraw, and even approximated a date for its departure.



"Whereas it was never the intention of the people of the United States in the incipency of the war with Spain to make it a war of conquest or for territorial aggrandizement; and

"Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

"Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the right of sovereignty of the people of the United States, in order that by the use and exercise of popular franchise and governmental powers they may be better prepared fully to assume the responsibilities and enjoy all the privileges of complete independence: Therefore—"

The act followed, comprising 31 sections of an organic law for the native government of the islands under American supervision until the sole condition required by the preamble—the establishment of a stable government—should be fulfilled.

The question of stability was not left long without official clarification. By the Jones Act the government was centered in a two-chambered legislature, elected by the people under a restricted franchise, and in a Governor General appointed by the President of the United States. In 1919, after nearly six years spent in this post, Gov. Gen. Francis Burton Harrison made this statement before a committee of Congress:

"I wish to state upon my responsibility as governor general that in my opinion there exists to-day in the Philippine Islands a stable government, which I think should answer the requirements laid down by Presidents Grant and McKinley and, as I understand it, also by Mr. Root, namely, a government elected by the suffrages of the people which is capable of maintaining order and of fulfilling its international obligations."

On December 7, 1920, President Wilson in his message to Congress explicitly indorsed the same finding. He said:

"Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and that thus they have fulfilled the condition set by the Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet."

If Governor General Harrison and President Wilson were right, no course consistent with honor was left to the United States except to effect at once the liberation of the islands and the end of American supremacy there.

This was the situation the Harding administration faced when it went into office on March 4, 1921. The Democratic Party, of which Mr. Wilson has been the leader, had always demanded Philippine independence. Mr. Harding's Republican Party, without formally committing itself, had always been believed to be strongly in favor of keeping the islands. The forces that brought about Mr. Harding's nomination may be said without disparagement to be generally sympathetic to great business and financial interests, and these interests, for adequate reasons to be explained hereafter, were keenly aroused against the surrender of American sovereignty in the Philippines. Nevertheless this surrender was unavoidable on the face value of the papers before Congress.

Accordingly one of President Harding's first acts was to appoint a special commission to visit the Philippines and investigate their status. Such an act could be regarded only as most significant. The commission was, in plain terms, to see if the Governor General and President Wilson had been justified in announcing that the time had come for the American withdrawal.

The commission consisted of Gen. Leonard Wood (an unsuccessful competitor for the Republican nomination for the Presidency in 1920) and Mr. W. Cameron Forbes, a former Governor General of the Philippines. General Wood also was no stranger to the islands, having been on active military duty there. The commission made a tour of the islands in the summer of 1921 and its report was made public in December. It found against Philippine independence on the main ground that the islanders were not yet so versed in the mysteries of self-government as successfully to manage their own affairs, although due credit and even warm praise were given to them for their rapid progress and demonstrated capacity. A concluding paragraph sums up thus:

"We feel that with all their many excellent qualities, the experience of the past eight years, during which they have had practical autonomy, has not been such as to justify the people of the United States relinquishing supervision of the government of the Philippine Islands, withdrawing their Army and Navy, and leaving the islands a prey to any powerful nation coveting their rich soil and potential commercial advantages."

The intense dissatisfaction with which the report was received in the islands was largely explained by the fact that it left undetermined the main, or, one might say, the only point at issue. As to whether there was or was not "a stable government" General Wood and Mr. Forbes offered no conclusion. Nothing was decided as to the accuracy of the former Governor General's certification on that point and nothing as to President Wilson's reasonableness in practically announcing Philippine independence. In the report the stability of the government was only twice referred to and then only in a casual, not a determinative, way. The two references are:

"(1) We find there is a disquieting lack of confidence in the administration of justice, to an extent which constitutes a menace to the stability of the Government.

"(2) In conclusion, we are convinced that it would be a betrayal of the Philippine people, a misfortune to the American people, a distinct step backward in the path of progress, and a discreditable neglect of our national duty were we to withdraw from the islands and terminate our relationship and stable government."

On the majority of the island population the effect of this conclusion was far from reassuring. The Filipinos have a natural taste for pleasurable speech and at least a fair allotment of vanity. They did not fail to observe the many passages in the report, in which tribute was paid to their good qualities, their advance in education, their use of the arts and resources of civilization. But their disgust with the general verdict much outweighed their appreciation of its praise. When the report was made public the native leaders had much ado to prevent outbreaks of violence. Unfortunately news of these events did not

reach the United States, which is still largely unaware of the native reactions.

The advocates of independence in the islands argued that the points raised by the commission were not involved in the dispute. In what they called the contract or covenant between the people of the Philippine Islands and the people of the United States nothing was said about the quality of justice to be administered in the courts, about efficient defense against foreign attack, about national duty, about the army and navy. Nothing was stipulated, except that the government to be established should be stable. The Filipinos underscored the fact that for five years their government had presented successfully all the ordinary attributes of stability, had maintained the national credit, had functioned adequately in all respects, carried on public improvements, passed laws and enforced them, effectively secured life and property. To meet any uncertainty as to the definition of "a stable government" they quoted that adopted by President McKinley as governing the course of the United States toward Cuba. He deemed a stable government to be "one capable of maintaining order and observing its international obligations, insuring peace and tranquillity, and the security of its citizens as well as our own." Mr. E. Root, as Secretary of State in President Roosevelt's administration, defined "a stable government" in almost the same words, but added the insistence that there should be a popular mandate. He held that a stable government was one "elected by the suffrages of the people and supported by them, capable of maintaining order, and of fulfilling its international obligations." This definition has been since viewed as fundamental in the practices of the American State Department. The Filipino leaders contended that, judged by these definitions, they had established a stable government and fulfilled to the letter their part of the contract.

Their disappointment was the keener because for five years they had been led to believe that their hopes of nationality were on the way to solidify into fact. Since its inauguration, after the passage of the Jones Act, the Philippine Legislature had not failed at any session unanimously to pass resolutions demanding immediate independence, and these seemed to rouse no apparent dissent in America. In 1919 the legislature dispatched to Washington a commission of eminent natives to offer this demand and ask immediate action upon it. When the official report of the Governor General that the Philippines were ready for independence was followed by the formal statement to the same effect by President Wilson, the Filipinos could hardly be blamed if they took such utterances as final and dependable.

The Wood-Forbes report came to shatter these pleasant hopes and to aver what the Filipinos regarded as insufficient and disingenuous reasons. Resentment became outspoken. The legislature, with but one dissenting vote, adopted a protest. The native newspapers, many of which have considerable circulations, uttered a severe if measured condemnation. An émeute in the streets was prevented by the quick action of the leaders. The Nationalist Party, comprising more than two-thirds of the voters, met and, after deliberation, adopted immediate independence without protection by the United States as its definite policy. The newly elected chancellor of the national university delivered a fiery address, warning the youth of the islands that they must work for complete and self-sustained nationality. The legislature sent to the United States a new commission of natives to make representations against the report and to ask that no action be taken upon its recommendations. This agitation is still proceeding.

To the American element in the islands the Wood-Forbes verdict was hardly less irritating than to the Filipinos. In the American colony the feeling is strong and general against insular autonomy, a feeling that may be due in part to racial antagonism, but there was disappointment at the failure of the report to indicate any future status for the islands. For substantial and practical reasons this was ill suited to the colony's ideas and needs. It left in a state truly precarious a large part of the great American investment of the last 10 years, not because the existing government, or any potential government, would be hostile to such capital and to its returns, but because it left in entire doubt the future tariff policy of the islands. In the view of most of the colonists the easy and effective settlement would be a recommendation of the territorial form of government. This would be tantamount to a declaration of permanent annexation, with a temporary organization like that formerly provided for frontier States before they were ready for statehood, thus carrying with it the sure prospect of ultimate admission of the islands as a full-fledged State into the American Union. If there could be no finding in favor of a territorial government, the American business men had hoped that, at least, no uncertainty would be left about independence. If independence was to come at all they preferred to have it as quickly as possible; if not, they wished that fact to be set forth so plainly that there would be no excuse for the agitation and uncertainty that are now undeniably hampering business.

In dealing with the popular attitude toward independence it is necessary to observe some distinctions. All of one race and stock as they are, the Filipinos show many types; the educated native of the northern town is not easily included in our thoughts with the almost naked mountaineer or the far-away Moro of the Sulus. To say that the great majority of the populace favors independence must be interpreted as referring to the civilized Filipinos. No one could pretend that the wild Manobo or Bagobo of the thickets cares or knows anything about the question. It is undeniable that, if independence were granted, the new State would be obliged to carry these untutored savages as a liability in some such way as for nearly a century the American Republic was obliged to carry the savage red Indian, or as the Australian Commonwealth carries the bushmen. The Filipino leader points to these comparisons and asserts that the item is not more significant in one instance than in another. Moreover, the numbers of the wild men seem surprisingly small when compared with the rest. The census of 1918 gave the total population of the Archipelago as 10,350,730, of whom 9,463,731 were Christians and 886,999 non-Christians. On the basis of these figures and the assumption that civilization has attended upon Christianity, nothing appalling or impossible would seem to pertain to the balance between civilization and savagery. It is not fair, however, to class all the non-Christians as savages. Many of the Mohammedan Moros of the south have attained to a high order of civilization, and the number of really wild men running at large in the bush is small. The remnant of Negritos—the strange aboriginal people still surviving in the mountains—does not largely swell the total.

The Moros constitute the traditional problem of island government. They sit in the Philippine Legislature, join without a sign of fracture in the insular affairs, and have voted with their confrères for independence. Possibly the differences in religious faith lose their primitive edge before the advance of the public school, in which the Moro is



showing an interest strange in a man of his creed. The Moros inhabit the department of Mindanao and Sulu, but even there are generally in no overwhelming preponderance. A census taken in 1920 showed its population to be 1,112,579, of which 589,633 were Christians and 522,946 were non-Christians.

Among the great Christian majority of the islands the desire for independence is unquestionable. The political parties have generally agreed in the demand for it and have only differed concerning the best means and time to win freedom. In the American colony of Manila the belief seems common that the agitation for independence is the sole creation of politicians, but this is not borne out by the fact that those representatives are the most popular who make themselves most conspicuous in the independence cause. "We find everywhere among the Christian Filipinos," said the Wood-Forbes report, "the desire for independence, generally under the protection of the United States." But, it added, "The non-Christians and Americans are for continuance of American control." The Americans in the islands number fewer than 7,000. Adding these to the total of non-Christians revealed by the census, it is apparent that the opposition to independence must be a very small minority.

The suffrage, however, is not universal. The so-called backward Provinces are temporarily excluded. Most of the inhabitants of the Moro regions do not vote. For this reason any statement of the attitude of the non-Christians must rest upon individual opinion alone. The whole subject of Moro sentiment seems too uncertain to justify confident assertion, though many leading Moros are committed to independence, and Rizal day—the national independence festival—is generally celebrated in the southern islands as in the northern. As to the Christian Filipinos, constituting, as has been seen, more than nine-tenths of the population, we are to remember that only a small proportion have the necessary franchise qualifications. Of these, in the 1919 election more aligned themselves with the Nationalist political party than with all the others together. The Nationalist is the party that has most persistently urged independence. But neither of the other two parties offered any opposition to it.

So far as a limited franchise and the representative form of government can furnish a popular mandate about anything, the mandate in this instance would seem to be competent. At each election the political party that most unwaveringly has stood for independence is returned to power. Year after year the legislature thus elected repeats its demand that the United States shall fulfill its promise. It appropriates money to be spent in furthering the cause of separation; the people yearly approve or acquiesce in this expenditure. Elsewhere under the like conditions the expression of the popular will would probably be deemed conclusive. With the competence of the legislature no fault is found. The Wood-Forbes Commission was favorably impressed. "We find the legislative chambers," says the report, "are conducted with dignity and decorum and are composed of representative men."

We should remark in passing that the independence movement in the Philippines has about it nothing that can be called seditious, and so far, at least, no flaw has appeared in the allegiance of the people to the United States. The most vehement agitator never injects into his harangue a charge of injustice or oppression. Affection for America is widespread and, so far as the alien visitor can determine, quite genuine, due in great measure to the really excellent school system the Americans introduced and maintained, and to the unexampled latitude of self-government provided in the Jones Act. Washington's Birthday and July 4 are celebrated throughout the islands with enthusiasm, and when the United States entered the Great War the Filipinos everywhere gave rather remarkable evidence of loyalty. Perhaps to this sense of gratitude may be ascribed part of the once common hope that independence might be granted in such terms as Cuba obtained, with American guarantees and protection—a hope slowly fading before the eyes of enlightened Filipinos. Independence with or without protection is now the slogan; a majority of the inhabitants are becoming well prepared to risk complete national separation.

The complement to this singular situation in the islands is the fact that, in the main, the people of the United States view the agitation without resentment and often with an expression of sympathy. Partly this expression is genuine; partly it is fidelity to history; partly it is weariness of the whole business. If by any possibility the Nation could go back to 1898 and rid itself of all its outlying possessions the average plain citizen would be well pleased. With regard to the Philippines, this indifference is rather astonishing in view of the fact that the question is of supreme importance to the future policy of this country and the status of the Pacific. But for a people of more than usual intelligence and mental alertness, the Americans are strangely uninformed about their subject dependencies. This explains in a way why so far the Filipinos have clamored for independence without winning American assent or arousing keen opposition.

For weighty reasons, however, one element in American society, small in numbers but of importance and power, is unable to imitate the general nonchalance. It is composed of the investors the substance of whose returns lie in or about the tariff relations between the United States and the islands. In the beginning of the American occupation the American import customs duties applied to Philippine goods as to others. In 1909 this condition was greatly modified on behalf of Philippine commodities, and in the tariff of 1913 practical free trade was established in these exchanges. All the standard products of the Philippines—tobacco, hemp, sugar, copra, and lumber—were placed in a position of great advantage compared with the like products from other regions of the Pacific. The assured profits stimulated the flow of capital and resulted in notable development of island industry, as the following statistics show:

In 1909 the total foreign trade of the Philippines was \$18,069,000; in 1910 it had attained to \$46,350,000. In 1907 exports of cigars were valued at only \$212,676; in 1919, at \$1,815,000. Most of this increase was absorbed by America, where the comparatively low prices under free trade made easy marketing for Philippine tobacco. In 1907 the exports of Manila cigars to America were only 82,175; in 1918 they had risen to 264,871,253. Exports of sugar rose from 141,568,420 tons in 1907 to 302,420,370 tons in 1918; of coconut oil (extracted from copra), from 819,625 kilos to 139,942,612 kilos; of hemp, from \$3,937,000 worth to \$16,926,000 worth in the same years. Exports of embroideries rose from a value of \$17,600 in 1913 to a value of \$691,000 in 1919. From 1912 to 1919 the quantity of lumber exported increased sixfold. The resources of the commercial banks increased from \$6,000,000 in 1913 to \$43,000,000 in 1920, and deposits in the savings banks from \$282,000 to \$492,000.

This rapid development took place under a condition of practical free trade. But if the Philippine islands should secure their independence, they would pass to the status of any other country foreign to the United States and the American tariff wall, now taken down

for their behoof, would be restored against them. This could but spell huge disaster for much of the American capital invested in the islands since 1913. Philippine products would be subject to tariff duties averaging about 60 per cent, with the result that they would be largely excluded from the American market, whither two-thirds of the trade of the islands now goes. Obviously, the economic effects upon the islands would be, for a time at least, most unfortunate. A period of business depression might easily be predicted, lasting until trade could be adjusted to new bearings by the developing of new markets. The leaders of the independence movement to whom this prospect has been depicted are by no means unfamiliar with it. They declare that the islanders are prepared to accept the full measure of the temporary economic reverse, deeming it a price not too great for independence and relying upon the resources of their country and its relation to world needs to effect a swift recovery.

It is fairly safe to prophesy that, being committed to autonomy and actively enlisted for it, the Christian part of the population will not return upon that path. It is to this fact and its consequences that the people of the United States remain irresponsive. Always the demand for independence grows more vehement in the islands. If it resembles all other such movements heretofore in human experience, it will not always wear the pacific front it does now. If the Filipinos in the mass should become convinced that the promises of the Jones Act were made in bad faith, or that there was deliberate purpose to ignore them, the United States might find itself in a position where either it must retire before the threat of violence, or it must suppress by force of arms a people whose only offense in the eyes of the world would be that it had demanded the fulfillment of a covenant.

The consequences of an independent Philippines, with an all-native government, republican in form, might be momentous. One can hardly imagine that it could be established without working a profound impression upon far eastern conditions. It would be the first complete and functioning democracy in Asia; it would be the first attempt by any division of the Malay race at modern democratic self-government. If it should succeed, or even promise to succeed, there must needs be a sharp readjustment of the European view about the Asiatic and a sharp readjustment of policy toward him. He would be in court with an exhibit unassailable as evidence, and not likely to be of a sedative nature to many of the spectators. A Philippine republic would render difficult any prolonged delay of universal suffrage in Japan. It would probably hasten the unification and pacification of China. It would react upon the Koreans and might modify greatly the Japanese policy toward them. It would inevitably shape America's own foreign policy, for it would amount to a decision to retire finally from all attempts to construct an empire or to hold subject dependencies.

Yet to something of this kind all the present indications undeniably point. The Philippines can not much longer remain in the present state of merely provisional organization. If any thought is entertained anywhere that the people of the United States could be brought to consent to the sale of the islands or to the transfer of their sovereignty to any other power whatsoever, it can not be too quickly abandoned. The alternative to independence is to erect the islands into a territory of the United States, giving them the territorial form of government like that of Alaska and Hawaii, and announcing thus their permanent annexation. Supposing that the people of the islands could be brought to accept this dispensation, it is gravely to be doubted if the people of the United States could be argued into equal pliability. It would mean that eventually they must enlarge the boundaries of the United States across 8,000 miles of ocean to embrace a region in the alien Tropics—a region to the rest of the Union so antithetic in climate, products, people, conditions, and interests as to be forever hopelessly incongruous. Between these two courses, nevertheless, the United States must soon choose, and it is to be surmised that so far President Harding's administration has found no satisfactory answer to the most troublesome problem bequeathed by its predecessor.

SENATOR KING'S AMENDMENT INDORSED BY PHILIPPINE LEGISLATURE.

Mr. Speaker, I desire to state that on February 9 Senator WILLIAM H. KING, of Utah, one of the best friends of the Filipino people in the American Congress, made a speech on the floor of the Senate in which he discussed the Philippine question at considerable length.

In the course of his remarks he introduced an amendment to the Army bill reading as follows:

That in conformity with the act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands and to provide a more autonomous government for those islands," approved August 29, 1916, the Philippine Legislature is hereby authorized to provide for a general election of delegates to a constitutional convention which shall prepare and formulate a constitution for an independent republican government for the Philippine Islands, and that upon the ratification and promulgation of said constitution and the election of the officers therein provided for and upon satisfactory proof that the government provided for under said constitution is organized and ready to function, the President of the United States shall recognize and proclaim the independence of the Philippine government under said constitution and shall notify the governments with which the United States is in diplomatic correspondence thereof, and shall invite said governments to recognize the independence of the Philippine Islands; and that the President is directed to withdraw the military forces of the United States from said islands within six months after said proclamation recognizing the independence of said Philippine government.

Unfortunately, Mr. Speaker, the amendment did not reach a vote, but the news of the action of the Senator was cabled to the Philippine Islands and caused much enthusiasm there.

Senator KING's amendment was discussed on the floors of both houses of the Philippine Legislature, with the result that the following resolutions were adopted:

*Resolved by the House of Representatives (the Philippine Senate concurring).* That they express, and they hereby so express, their gratification upon receiving the information that Senator WILLIAM H. KING, of Utah, has proposed in the Senate of the United States that a provision providing for the immediate independence be included in the War Department appropriation bill; and

*Resolved further,* That the President and Congress of the United States be, and they hereby are, requested to approve said provision, which is in accordance with the aspirations of the Filipino people as



expressed time and again by their constitutional representatives in the Philippine Legislature; and  
*Resolved finally*, That the presiding officers of both houses of the Philippine Legislature be, and they are hereby, directed to transmit these resolutions to the Philippine Resident Commissioners at Washington with instructions to present the same to the President and Congress of the United States.

The SPEAKER. The time of the gentleman has expired.

Mr. TOWNER. Mr. Speaker—

Mr. CAMPBELL of Kansas. Mr. Speaker, I desire to present—

#### DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the bill H. R. 13660.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman from the Philippine Islands be permitted to revise and extend his remarks.

The SPEAKER. He already has that permission. The gentleman from Michigan calls up a conference report. The Chair is mistaken. The Chair understood it was a conference report. The Chair understands it is a House bill with a Senate amendment in disagreement.

Mr. CRAMTON. Yes.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

An act (H. R. 13660) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1924, and for other purposes.

Mr. GARRETT of Tennessee. Is it a conference report?

The SPEAKER. It is not a conference report; it is a bill which has been to conference.

Mr. CRAMTON. Mr. Speaker, I move that the House further insist upon its amendment to the Senate amendment and agree to the conference asked by the Senate, and the conferees be appointed.

The SPEAKER. The gentleman moves that the House further insist upon its disagreement to the Senate amendment and to agree to the conference asked for by the Senate. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. CRAMTON, Mr. EVANS, and Mr. JOHNSON of Kentucky.

Mr. CRAMTON. Mr. Speaker, I move the adoption of this concurrent resolution.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of a resolution.

Mr. CAMPBELL of Kansas. Mr. Speaker, I will have to object for the present. I have a resolution from the Committee on Rules.

Mr. CRAMTON. It is merely to complete this matter.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of the concurrent resolution, which the Clerk will report.

The Clerk read as follows:

#### House Concurrent Resolution 84.

*Resolved by the House of Representatives (the Senate concurring).* That the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate No. 24 to the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities, etc., be authorized to agree to striking out the following language, "at the Virginia end of the Key Bridge."

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The question was taken, and the resolution was agreed to.

#### LIQUOR SHIPMENTS TO DIPLOMATIC REPRESENTATIVES.

Mr. CRAMTON. Mr. Speaker, I call up a privileged resolution or offer a privileged motion. I wish to move to discharge the Committee on the Judiciary from further consideration of House Resolution 503.

Mr. CAMPBELL of Kansas. That is not in order to-day, Mr. Speaker. That is not a privileged motion.

The SPEAKER. Let the gentleman state the ground of his privilege.

Mr. CRAMTON. It is a resolution that was introduced more than seven days ago, and it has not been reported to the House; a resolution of inquiry, calling upon the Treasury Department for certain facts.

The SPEAKER. The Chair thinks that unquestionably it is privileged, but the Chair also understands that the gentleman from Kansas [Mr. CAMPBELL] claims the floor with a report from the Committee on Rules.

Mr. CAMPBELL of Kansas. I have a resolution from the Committee on Rules which is of higher import.

Mr. CRAMTON. I will not argue the question of importance, but it is not of equal privilege.

Mr. CAMPBELL of Kansas. It is of greater privilege.

Mr. CRAMTON. Mr. Speaker, the rules guarantee to every Member of the House the right to the consideration of a resolution of inquiry, and it is provided that if such a resolution of inquiry having been referred to a committee is not reported to the House within seven days it is privileged and the introducer may call it up at any time.

Now, the gentleman from Kansas suggests that a report from the Committee on Rules, providing a special order for the consideration of legislation, is preferential and should take precedence over the motion I have offered. I want to call the attention of the Speaker to the situation, which is that no report from the Committee on Rules has yet been presented to the House. The only question that is before the House at this time is the consideration of the motion that I have already offered to discharge the committee from the consideration of House Resolution 503. The gentleman from Kansas urges that, with that business pending before the House, he should have a preferential right over that and set it aside, and have the House consider the resolution which he proposes to offer, but has not as yet.

Mr. CAMPBELL of Kansas. Will the gentleman permit me to correct him?

Mr. CRAMTON. Certainly.

Mr. CAMPBELL of Kansas. I had addressed the Speaker and the Speaker had recognized me when the gentleman from Michigan interjected this new motion.

The SPEAKER. The Chair does not think it necessary to spend time on that. The Chair very often recognizes a person without knowing what motion that person is going to make. But that, the Chair thinks, does not give them any right. The question always is, Which gentleman has the motion of higher privilege? And every recognition of the Chair is provisional and subject to some other Member having a matter of higher privilege. The question on which the Chair would like to hear from the gentleman is, Which has the higher privilege—a resolution from the Committee on Rules or a motion to discharge a committee?

Mr. CRAMTON. The facts are these, Mr. Speaker, and if I was incorrect I will accept correction: My impression is that my resolution was presented to the House and the resolution of the gentleman from Kansas was not yet offered; and in case they were of equal privilege, then mine, of course, would have priority, having been first offered.

But in any event I further urge that mine is of higher privilege for the reason that we are approaching the end of a session, and if the Committee on Rules, which will govern the business of the House very largely in the next two weeks—very little will get up for consideration except through a rule from that committee—if the gentleman from Kansas can now set my resolution aside by offering a resolution to make in order this Navy bill, that may provide for one day's debate or five days' debate—the question of privilege would be the same—then they can follow that with another rule that will make some other bill in order and follow that with another, and in that way they can absolutely deny, under that situation, the right that a Member of the House has for the consideration of a resolution of inquiry. I urge, therefore, that for the protection of the rights of the Members of the House the resolution that I have offered is of a higher privilege than the other.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. LONDON. Is not this motion the only right that a Member has in the nature of an interpellation, in the nature of an inquiry, to a member of the Cabinet as to his activities?

Mr. CRAMTON. It is the only method that the Congress has to submit an inquiry to a Cabinet officer or an executive department, and of course it is initiated by a motion of an individual Member of the House; and if the point of order made by the gentleman from Kansas is sustained, then the way is open to gag the membership of the House and deny them any right to secure this information.

It may be said that the gentleman from New York [Mr. LONDON] is in a small minority. There is a larger minority here also. The Committee on Rules is governed by the majority of the House, and that majority customarily is of the same political faith as the executive department heads; and if the point of order of the gentleman from Kansas is sustained, then the way is open to deny always to the minority any opportunity to submit a resolution of inquiry to an executive department. That is a most dangerous rule, I submit.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. GARRETT of Tennessee. The Committee on Rules has no higher privilege and its reports are no more highly priv-

ileged than a report from the Committee on Appropriations; that is, a privileged report from the Committee on Appropriations, or from the Committee on Ways and Means, or from the Committee on Rivers and Harbors, under certain contingencies. So far as my observation has gone, it has always been the policy for the Chair, when these resolutions of inquiry are presented, after the reading of the Journal, as this was, and the conclusion of business on the Speaker's table, to give preference to a motion of this sort.

I do not know what is in the gentleman's resolution. I know nothing whatever about its merits; but if the gentleman's resolution could be set aside by a report from the Committee on Rules, it could also be set aside by a report from the Committee on Appropriations, or by a report from the Committee on Ways and Means, and the gentleman might never have a chance to exercise the privilege, which is guaranteed by the rules of the House, of calling up a resolution of inquiry.

Mr. ASWELL. It would nullify the rule.

Mr. CRAMTON. I will suggest to the gentleman that to sustain the point made by the gentleman from Kansas [Mr. CAMPBELL] would open the way to gag the minority in the House absolutely and prevent them presenting any inquiry calling upon any executive department for information.

Mr. GARRETT of Tennessee. That is precisely the idea that I was trying to express.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. A question of personal privilege or a question of the privileges of the House is the only question that is privileged above the gentleman's motion. Is not that the case?

Mr. CRAMTON. That would be my impression.

Mr. BLANTON. The gentleman's motion is privileged above every other matter of legislation.

Mr. CRAMTON. It is of higher privilege than a report from the Committee on Rules.

The SPEAKER. The Chair finds no precedent on the matter except one by Speaker Reed in which he said, "This is a privileged question, but not a question of privilege." Now, if it were a question of privilege the Chair would be disposed to think that the reason it was privileged was because it affected the privileges of the House, but this seems to negative that. If it is a privileged question, it is, as the gentleman from Tennessee suggests—

Mr. CAMPBELL of Kansas. A question of recognition.

The SPEAKER. It is on a level with a report from a privileged committee. Now, a report from the Committee on Rules always has precedence over that, because the rule expressly says that it shall always be in order to call up a report from the Committee on Rules. The Chair thinks the Committee on Rules has precedence, and the gentleman from Kansas [Mr. CAMPBELL] is recognized.

Mr. CRAMTON. Mr. Speaker, I respectfully appeal from the decision of the Chair.

The SPEAKER. The gentleman from Michigan appeals from the decision of the Chair.

Mr. CAMPBELL of Kansas. I move to lay that appeal on the table.

The SPEAKER. The gentleman from Kansas moves to lay the appeal on the table. The question is on the motion of the gentleman from Kansas.

The question was taken.

The SPEAKER. The Chair is in doubt. The Chair thinks the better way would be to have it decided by tellers. Without objection, the Chair will ask the gentleman from Kansas [Mr. CAMPBELL] and the gentleman from Michigan [Mr. CRAMTON] to act as tellers. The question is on the motion of the gentleman from Kansas to lay on the table the appeal of the gentleman from Michigan from the decision of the Chair.

The House divided; and there were—ayes 93, noes 54.

Mr. CRAMTON. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and ninety-seven Members present, not a quorum. The Doorkeeper will close the doors. As many as are in favor of laying the appeal on the table will, as their names are called, vote "yea," those opposed "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 166, nays 127, not voting 133, as follows:

## YEAS—166.

Abernethy	Arentz	Box	Campbell, Kans.
Ackerman	Bacharach	Britten	Campbell, Pa.
Anderson	Beedy	Burke	Cannon
Andrew, Mass.	Bird	Burtess	Chindblom
Anthony	Bixler	Burton	Clarke, N. Y.
Appleby	Bland, Va.	Butler	Clouse

Cole, Iowa  
Cole, Ohio  
Colton  
Crabo  
Crisp  
Curry  
Dallinger  
Darrow  
Deal  
Denison  
Doughton  
Drewry  
Dunbar  
Dunn  
Elliot  
Ellis  
Fairfield  
Faust  
Fess  
Focht  
Fordney  
Freeman  
Frothingham  
Fuller  
Funk  
Gahn  
Gallivan  
Gerndt  
Gifford  
Gorman  
Graham, Ill.  
Greene, Mass.  
Greene, Vt.  
Griest  
Hadley  
Hardy, Colo.

Hawes  
Henry  
Hersey  
Hickey  
Hicks  
Hill  
Hogan  
Hukriede  
Hull  
Humphrey, Nebr.  
Ireland  
Jeffers, Nebr.  
Kendall  
Kincheloe  
Kissel  
Kline, N. Y.  
Kline, Pa.  
Knutson  
Kopp  
Kraus  
Kreider  
Kunz  
Lampert  
Langley  
Larson, Minn.  
Lawrence  
Layton  
Lea, Calif.  
Leatherwood  
Lee, Ga.  
Lehlbach  
Linthicum  
Luze  
McCormick  
McFadden  
McLaughlin, Nebr.  
McLaughlin, Pa.  
McPherson  
MacGregor  
MacLafferty  
Mabee  
Merritt  
Miller  
Montague  
Moore, Ill.  
Moore, Va.  
Moore, Ind.  
Mott  
Nelson, Me.  
Nolan  
Norton  
Ogden  
Paige  
Parker, N. J.  
Parker, N. Y.  
Patterson, Mo.  
Patterson, N. J.  
Perlman  
Petersen  
Purnell  
Radcliffe  
Rainey, Ill.  
Ramseyer  
Ransley  
Reece  
Rhodes  
Riordan  
Roach  
Robertson  
Robison  
Rodenberg  
Rogers

## NAYS—127.

Almon  
Andrews, Nebr.  
Aswell  
Atkeson  
Bankhead  
Barbour  
Barkley  
Beck  
Begg  
Bell  
Benham  
Black  
Blanton  
Bowling  
Briggs  
Brown, Tenn.  
Browne, Wis.  
Buchanan  
Bulwinkle  
Byrnes, S. C.  
Byrns, Tenn.  
Carter  
Chalmers  
Christopherson  
Clague  
Collier  
Collins  
Connally, Tex.  
Cooper, Ohio  
Cooper, Wis.  
Coughlin  
Cramton

Davis, Tenn.  
Dickinson  
Dominick  
Dowell  
Driver  
Evans  
Favrot  
Fields  
Fish  
Fisher  
Fitzgerald  
Foster  
Fulmer  
Garrett, Tenn.  
Garrett, Tex.  
Gensman  
Hammer  
Hardy, Tex.  
Hayden  
Herrick  
Hoch  
Hooker  
Huddleston  
Hudspeth  
Humphreys, Miss.  
Jacoway  
James  
Jeffers, Ala.  
Johnson, Miss.  
Jones, Tex.  
Kearns  
Kelley, Mich.  
Kelly, Pa.  
Ketcham  
Lanham  
Lankford  
Larsen, Ga.  
Little  
Logan  
London  
Lowrey  
Lyon  
McDuffie  
McKenzie  
McLaughlin, Mich.  
McSwain  
Mapes  
Martin  
Michener  
Moore, Ohio  
Morgan  
Murphy  
Nelson, A. P.  
Nelson, J. M.  
Newton, Minn.  
O'Connor  
Oldfield  
Oliver  
Parks, Ark.  
Quin  
Rankin  
Rayburn  
Reed, W. Va.  
Ricketts

Rosenbloom  
Rouse  
Sanders, Ind.  
Sanders, N. Y.  
Shreve  
Sinnott  
Snyder  
Stafford  
Stedman  
Stephens  
Swing  
Temple  
Thompson  
Tilson  
Timberlake  
Tinkham  
Townner  
Treadway  
Underhill  
Vaile  
Vinson  
Voigt  
Ward, N. Y.  
Ward, N. C.  
Wason  
Watson  
Webster  
White, Me.  
Wilson  
Winslow  
Woods, Va.  
Wurzbach  
Wyant  
Yates

## ANSWERED "PRESENT"—1.

## Raker

## NOT VOTING—133.

Ansorge  
Blakeney  
Bland, Ind.  
Boles  
Bond  
Bowers  
Brand  
Brennan  
Brooks, Ill.  
Brooks, Pa.  
Burdick  
Cable  
Cantrill  
Carew  
Chandler, N. Y.  
Chandler, Okla.  
Clark, Fla.  
Clason  
Cockran  
Codd  
Connolly, Pa.  
Copley  
Crowther  
Cullen  
Dale  
Davis, Minn.  
Dempsey  
Drane  
Dupré  
Dyer  
Echols  
Edmonds  
Fairchild  
Fenn

Frear  
Free  
French  
Garner  
Gilbert  
Glynn  
Goldsborough  
Goodykoontz  
Gould  
Graham, Pa.  
Green, Iowa  
Griffin  
Haugen  
Hawley  
Hays  
Himes  
Huck  
Husted  
Hutchinson  
Johnson, Ky.  
Johnson, S. Dak.  
Johnson, Wash.  
Jones, Pa.  
Kahn  
Keller  
Kennedy  
Kiess  
Kindred  
King  
Kirkpatrick  
Kitchin  
Klecka  
Knight  
Lazaro  
Lee, N. Y.  
Lineberger  
Longworth  
Luhling  
McArthur  
McClintic  
Madden  
Maloney  
Mansfield  
Mead  
Michaelson  
Mills  
Mondell  
Morin  
Mudd  
Newton, Mo.  
O'Brien  
Olpp  
Overstreet  
Park, Ga.  
Paul  
Perkins  
Porter  
Pou  
Pringey  
Rainey, Ala.  
Reber  
Reed, N. Y.  
Riddick  
Rose  
Rossdale  
Ryan  
Sabath  
Schall

Scott, Mich.  
Sears  
Shaw  
Siegel  
Slomp  
Smith, Mich.  
Snell  
Sproul  
Steenerson  
Stevenson  
Stiness  
Stoll  
Strong, Pa.  
Sullivan  
Sweet  
Tague  
Taylor, Ark.  
Taylor, Colo.  
Taylor, N. J.  
Ten Eyck  
Thomas  
Thorpe  
Vestal  
Volk  
Volstead  
Walters  
Wheeler  
White, Kans.  
Wood, Ind.  
Woodyard  
Zihlman

So the motion to lay the appeal on the table was agreed to.

The following pairs were announced:

Mr. Mondell with Mr. Garner.

Mr. Newton of Missouri with Mr. Brand.



Mr. Madden with Mr. Stevenson.  
 Mr. Graham of Pennsylvania with Mr. Dupré.  
 Mr. Snell with Mr. Cullen.  
 Mr. Longworth with Mr. Taylor of Colorado.  
 Mr. Dempsey with Mr. O'Brien.  
 Mr. Porter with Mr. Sears.  
 Mr. Kiess with Mr. Kindred.  
 Mr. Fenn with Mr. Goldsborough.  
 Mr. Crowther with Mr. Drane.  
 Mr. Davis of Minnesota with Mr. Thomas.  
 Mr. Morin with Mr. Clark of Florida.  
 Mr. Hawley with Mr. Johnson of Kentucky.  
 Mr. Mudd with Mr. Tague.  
 Mr. Kahn with Mr. Mead.  
 Mr. Johnson of South Dakota with Mr. Raker.  
 Mr. Connolly of Pennsylvania with Mr. Pou.  
 Mr. Johnson of Washington with Mr. Lazaro.  
 Mr. Boise with Mr. Carew.  
 Mr. Lineberger with Mr. McClintic.  
 Mr. King with Mr. Sabath.  
 Mr. Edmonds with Mr. Cantrill.  
 Mr. Olpp with Mr. Sullivan.  
 Mr. Brennan with Mr. Kitchin.  
 Mr. Hutchinson with Mr. Park of Georgia.  
 Mr. Reed of New York with Mr. Gilbert.  
 Mr. Free with Mr. Rainey of Alabama.  
 Mr. Cable with Mr. Mansfield.  
 Mr. Cole of Ohio with Mr. Taylor of Arkansas.  
 Mr. Kennedy with Mr. Stoll.  
 Mr. Perkins with Mr. Cockran.  
 Mr. Michaelson with Mr. Overstreet.  
 Mr. Strong of Pennsylvania with Mr. Griffin.  
 The result of the vote was announced as above recorded.  
 The doors were opened.  
 Mr. CRAMTON. A parliamentary inquiry, Mr. Speaker.  
 The SPEAKER. The gentleman will state it.  
 Mr. CRAMTON. My parliamentary inquiry is this: Is the effect of the motion to lay the appeal on the table to carry with it the resolution itself?  
 The SPEAKER. The Chair thinks not. The Chair would like to somewhat modify the ruling that he made. The Chair at the time said that he was of the opinion that the Committee on Rules had the prior right. The Chair, on reflection, is more disposed to think that these are all questions of privilege, that they all stand on the same basis, and that it is entirely a matter of recognition by the Chair. Therefore the Chair thinks it was a matter of recognition.  
 Mr. GARRETT of Tennessee. Will the Chair and the House indulge me for a moment?  
 The SPEAKER. Certainly.  
 Mr. GARRETT of Tennessee. I voted against the motion to lay the appeal on the table, and I did it because I understood the Chair to base his ruling on the proposition that the resolution from the Committee on Rules was a matter of higher privilege. Of course, placing it on the ground of recognition, I can not differ from the Chair on that proposition.  
 Mr. FISH. A parliamentary inquiry, Mr. Speaker.  
 The SPEAKER. The gentleman will state it.  
 Mr. FISH. Is it not a fact that the Speaker stated that he waived the question of recognition in deciding the matter in the first instance?  
 The SPEAKER. The Chair did not use that language, but he stated that he thought the Committee on Rules had the higher privilege.  
 Mr. FISH. But did not the Speaker state that he waived the question of recognition?  
 The SPEAKER. The Chair sees what the gentleman refers to, but the gentleman from New York must have misunderstood the Chair. That was upon a different point.  
 Mr. MICHENER. A parliamentary inquiry, Mr. Speaker.  
 The SPEAKER. The gentleman will state it.  
 Mr. MICHENER. As I understand it, this resolution goes back to the Judiciary Committee.  
 The SPEAKER. No; it is before the Judiciary Committee now.  
 Mr. MICHENER. That is a resolution that has never been called up before the Judiciary Committee. The gentleman from Michigan never mentioned it to me, and I am a member of the committee.  
 The SPEAKER. That is not a parliamentary inquiry.  
 Mr. CRAMTON. Mr. Speaker, in view of what has been said, I want to say that the action I have taken to-day was no reflection on the Judiciary Committee, and I would have so stated when I had an opportunity in debate.

## MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 418. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes.

The message also announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 279. Joint resolution authorizing the Secretary of War to loan 3,000 wooden folding chairs for the use of the United Confederate Veterans at their reunion to be held in New Orleans, La., on April 11, 12, and 13, 1923.

The message also announced that the Vice President had appointed Mr. FERNALD and Mr. SHEPPARD members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Commerce.

The message also announced that the Vice President had appointed Mr. STEELING and Mr. DIAL members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Post Office Department.

The message also announced that the Vice President had appointed Mr. NORRIS and Mr. KENDRICK members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of the Interior.

## NAVAL OMNIBUS BILL.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present a privileged report from the Committee on Rules.

The Clerk read as follows:

House Resolution 510 (Rept. No. 1610).

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 4187. After general debate, which shall continue not to exceed one hour, to be equally divided and controlled between those for and those against the bill, said bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of a point of order House committee amendments recommended by the Committee on Naval Affairs now in the bill, and such amendments for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the committee shall rise and report the bill to the House with the committee amendments and such amendments to the committee amendments as may have been adopted (upon which a separate vote may be demanded), and the previous question shall be considered as ordered on the bill and all amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, this resolution brings before the House for consideration what is known as an omnibus bill from the Committee on Naval Affairs.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. BEGG. As I got the reading of the rule, nobody can offer an amendment to the bill save the committee.

Mr. CAMPBELL of Kansas. Oh, that is not what the rule provides. Even the committee can not offer an independent amendment in addition to the committee amendments now on the bill.

Mr. BUTLER. Our hands are tied also.

Mr. CAMPBELL of Kansas. The omnibus bill is made up of a large number of bills considered by the Committee on Naval Affairs. I understand that the bill as now reported, containing the items that it does contain, has the unanimous report of that committee. It comes here with a unanimous report from the Committee on Rules.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. CRAMTON. Do I understand that the rule provides that no amendment can be offered to an existing section of the bill?

Mr. CAMPBELL of Kansas. No; it provides that existing sections in the bill may be considered as an original bill under

the five-minute rule, and any germane amendment to them is in order.

Mr. CRAMTON. But not the addition of the new items to the bill?

Mr. CAMPBELL of Kansas. Not the addition of new items, or what might be called new sections.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I am delighted to yield to the gentleman from Texas.

Mr. BLANTON. The gentleman states as a reason for not permitting amendments that the bill has the unanimous report of the committee.

Mr. CAMPBELL of Kansas. I said nothing of the kind. When I yield to the gentleman, he must not misquote me.

Mr. BLANTON. I understood as his reason that it had the unanimous report of the Committee on Naval Affairs.

Mr. CAMPBELL of Kansas. That is a fact, but not in the way the gentleman seems to have understood it.

Mr. BLANTON. A bill came here the other day with the unanimous report from the Committee on the Judiciary, and made it murder, triable in a Federal court, for anyone to oppose a Federal officer where death ensued.

Mr. CAMPBELL of Kansas. Oh, that is not a question, and I can not yield further.

Mr. BLANTON. So we have to watch these matters even where they have a unanimous report from a committee.

Mr. CAMPBELL of Kansas. Mr. Speaker, the resolution provides for a limit of one hour for general debate, agreed upon by the Committee on Naval Affairs. The resolution is not opposed by anyone that I know of.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. DENISON. The rule, as read by the Clerk, seems to be somewhat different from the rule as printed. Will the gentleman from Kansas explain the effect of the change?

Mr. CAMPBELL of Kansas. The Committee on Naval Affairs amended their bill, in order to get a unanimous report from that committee, after this rule had been printed. The rule as read from the desk is the rule that was agreed to by the Committee on Rules. There was stricken from the resolution the words in line 9 "under clause 7 of Rule XVI." Later the words "now in the bill" were placed in the resolution.

Mr. DENISON. I have not the resolution before me, and I would like to have the gentleman state the effect of the change.

Mr. CAMPBELL of Kansas. The effect of the change will prevent during the consideration of the bill any member of the Committee on Naval Affairs, or any other Member of the House, from offering as an amendment to the bill subject matter that the committee took out of the bill in order to get a unanimous report from the committee—controverted matter not germane to items in the bill.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. CRAMTON. The bill indicates that it has been reported three times to the House—on January 25, 1923, on February 6, 1923, and again on February 7, 1923. It has been so recommended, as I understand it, in order that some new claims might be put upon it or some claim taken out.

The rule reported by the gentleman now prevents the House from adding any new items. What does the gentleman think of the advisability to send it back to the committee again? They might find something more that ought to be added or taken out. In other words, is it not a little premature to pass the bill at this time?

Mr. CAMPBELL of Kansas. Oh, no; as the bill now stands it has the unanimous report of the Committee on Naval Affairs. I yield 15 minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, this is an unusual rule in that it limits the power of amendment that may be proposed even by the Committee on Naval Affairs reporting the bill. Ordinarily I do not favor rules of that kind, but the reason for it is this: The Committee on Naval Affairs took a number of subjects and put them into an omnibus bill. They were matters upon which the committee agreed unanimously. If that bill were thrown open to amendment, covering so wide a range of matters as it does cover, almost any proposition that might be offered might be held to be germane to the bill as a whole, and as a result controverted legislation might be proposed at this late stage of the session, which would eliminate the possibility of the Committee on Naval Affairs procuring legislation upon which it is unanimously agreed. For that reason, viewing it in the light of the time when the rule is proposed, within two weeks of the end of the session, I felt willing to agree to the rule which limited the power of amend-

ment of the committee itself. Of course, any gentleman from the floor can offer an amendment to any section of the bill which is germane to that section.

I reserve the remainder of my time and yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, the Committee on Rules of the House of Representatives, by virtue of its authority and jurisdiction, is naturally the most powerful committee in the House. There is one matter that a great many Members of the House, directly and indirectly, have been endeavoring to secure some action upon by this powerful Committee on Rules for a number of weeks. We are now approaching the end of the present session of Congress. The matter to which I refer has long since passed beyond the stage of being a matter of local or sectional importance, and is now universally recognized as a proposition of very grave national concern, involving a great national policy. I refer to the proposition involving the disposition of the Muscle Shoals power and nitrate plants.

I have remained absolutely silent on this question during this entire session of Congress, although two units of this plant as a whole are located in my district, for the reason that heretofore action upon it was not possible. Great interest has been manifested in the final disposition of this question at this session of Congress not only on this side but by some prominent and leading Members on the majority side of the House. The gentleman from Illinois [Mr. MADDEN], chairman of the great Committee on Appropriations, the gentleman from Ohio [Mr. LONGWORTH], and the gentleman from Illinois [Mr. GRAHAM] recently have voiced the expression upon this floor that they believed that this great question should be taken up and decided, as far as the House is concerned, at this session of Congress; and I now feel justified in calling upon the chairman of the Committee on Rules on this occasion, and I think that in view of the nature of this proposition and of its importance that he should answer an inquiry and let those of us who are interested in this question now know whether or not it is his purpose or intention to take action upon that problem within the immediate future in the Committee on Rules?

Mr. CAMPBELL of Kansas. Does the gentleman from Alabama know which one of the bills he is in favor of calling up in regard to Muscle Shoals?

Mr. BANKHEAD. I certainly do.

Mr. CAMPBELL of Kansas. Which one is it?

Mr. BANKHEAD. The gentleman has not answered my question.

Mr. CAMPBELL of Kansas. No; I want to know which one of the bills the gentleman from Alabama is in favor of.

Mr. BANKHEAD. I am in favor of the bill introduced by the gentleman from Georgia [Mr. WRIGHT], which provides for the unconditional acceptance of the Ford offer.

Mr. CAMPBELL of Kansas. That bill is not on the calendar.

Mr. BANKHEAD. I state to the gentleman what my private, individual views are upon this question. The chairman of the Committee on Rules ought to give to the House, especially in view of the fact that the acting chairman of the Military Affairs Committee, from which this bill originated, has requested it, a definite answer on this matter. I now ask if it is his individual purpose to give the Rules Committee an opportunity to decide whether or not it will give that matter consideration either upon the McKenzie bill or the Wright bill as a substitute therefor?

Mr. CAMPBELL of Kansas. Oh, the Rules Committee can always decide matters when it gets ready.

Mr. BANKHEAD. Ah, but the gentleman is evading the question, and he knows it.

Mr. CAMPBELL of Kansas. The Rules Committee has already voted on the question once.

Mr. BANKHEAD. With what result?

Mr. CAMPBELL of Kansas. Oh, well, there is no question about the result.

Mr. BANKHEAD. How long has it been since that vote was taken?

Mr. CAMPBELL of Kansas. Within the last two weeks, I should say.

Mr. BANKHEAD. Voted directly on the proposition of whether they would give consideration to this question?

Mr. CAMPBELL of Kansas. That was the question.

Mr. BANKHEAD. Do I understand the gentleman to mean to use that as a precedent for refusing to take up the matter again in the future?

Mr. CAMPBELL of Kansas. That is the decision up to the present moment.

Mr. GARRETT of Tennessee. Oh, Mr. Speaker, I do not wish to violate the proprieties at all—



Mr. CAMPBELL of Kansas. That was a public question. I do not think there was a question about it.

Mr. GARRETT of Tennessee. At the last meeting of the Committee on Rules—

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. I will yield the gentleman one minute more. The rule to provide for the consideration of this matter would have been adopted but for the fact that the chairman of the committee declined to lay the rule before the committee for action.

Mr. BANKHEAD. Now, what does the gentleman from Kansas have to say?

Mr. CAMPBELL of Kansas. I will answer at the proper time.

Mr. BANKHEAD. I would like to have an answer now, while I am interrogating the gentleman on this immediate proposal.

Mr. CAMPBELL of Kansas. There is another matter before the House. I am representing the responsible majority of this House for legislation. I have reported a rule here for the consideration of a bill unanimously reported by a legislative committee of the House.

Mr. BANKHEAD. Well, I have the floor, and I want to ask the gentleman—

The SPEAKER. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. GARRETT of Tennessee yielded me a minute.

The SPEAKER. That time has expired.

Mr. BANKHEAD. I ask leave to revise and extend my remarks on this subject.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, how much time is there remaining? Does the gentleman want to use the rest of his time?

The SPEAKER. The gentleman has six minutes remaining.

Mr. GARRETT of Tennessee. I yield one minute to the gentleman from Alabama [Mr. ALMON].

Mr. CAMPBELL of Kansas. I think, however, it is bad practice to introduce extraneous matters in the consideration of a question of agreeing to a rule.

Mr. ALMON. Mr. Speaker, in reply to the inquiry of the gentleman from Kansas [Mr. CAMPBELL], I would say that it is H. R. 11903 which was reported to the House by the Military Committee on June 5, 1922, introduced by Mr. McKENZIE, acting chairman of the Military Committee, that we desire to be brought before the House for consideration by a rule from the Committee on Rules. Of course, we would expect the rule to provide for amendments, and it would be in order to offer as a substitute for that bill the bill introduced by the gentleman from Georgia [Mr. WRIGHT], which provides for an acceptance of the offer of Henry Ford, as modified and signed on the 31st day of May, 1922.

It is well known to the House that I am in favor of the acceptance of the offer of Henry Ford, just as it was made and signed on the date I have just stated. Of course, the McKENZIE bill is the only one on the calendar of the House and the only one which has been reported to the House by the Military Committee, and it is a rule on this bill that has been requested of the Rules Committee by the entire membership of the Military Committee, so there should not be any doubt or uncertainty about which bill is desired to be brought before the House for consideration by a rule from the Committee on Rules.

The committee spent five and a half months' time in holding hearings on this subject and reported a bill. There are more people interested in and demanding the consideration of this subject by Congress than any other question pending in Congress. The Ford offer has the indorsement of all the farmers, Mississippi Valley Association, American Legion, and various labor organizations, and they are unable to understand why it is that the people's Representatives in this House can not be allowed to consider and vote upon it. Only a few days ago Mr. MADDEN and Mr. GRAHAM, of Illinois, and Mr. LONGWORTH, of Ohio, and also Mr. McKENZIE, of Illinois, all prominent and influential Republican leaders, declared on the floor of the House that the Muscle Shoals legislation should be considered and disposed of at this session. I most earnestly ask and recommend that the Committee on Rules report to the House without further delay a rule providing for the consideration of this question and give us an opportunity to vote upon it. I believe that every fair-minded man will agree that this should be done, whether he is in favor of or opposed to the Ford offer.

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. I may as well use my time. Sometimes, driven to desperation, we have to introduce these

extraneous matters because we can not get them in in any other way. I yield the remainder of my time to the gentleman from Kentucky [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, there is a bill upon the calendar which undertakes to dispose of the Muscle Shoals proposition, and that bill includes every proposition included in the Ford offer, except the interests of the Government at the Gorgas steam plant and the transmission line leading to Muscle Shoals.

That bill was introduced by the present acting Republican chairman of the Military Affairs Committee, Mr. McKENZIE, of Illinois, and was reported out by that committee. The bill has had the support of the gentleman from Illinois on the floor of the House. Its immediate consideration or its early consideration has been advocated by the chairman of the Appropriations Committee, Mr. MADDEN, of Illinois, in the most powerful and clearest analysis of any financial proposition that has ever been discussed in this Chamber.

The development of Muscle Shoals has been indorsed on the floor of the House by the gentleman from Illinois [Mr. GRAHAM] and the gentleman from Ohio [Mr. LONGWORTH], who said, if my memory serves me right, that he would be guided in the main by the conclusions arrived at by the chairman of the Appropriations Committee, Mr. MADDEN. It has the support of a large majority of the Republican membership of the Military Affairs Committee, which reported it favorably. It has the support, I know, of a large per cent of the Republican membership of this House, and practically the unanimous support of the Democratic membership of the House.

Not only that, but the bill has the support of the agricultural interests of this country from the Atlantic to the Pacific and from the Canadian line to the Mexican border. It has more support behind it than any other proposition relating to agriculture that has come before this House in many years, or possibly more than any other proposition that ever came before this House.

There is, however, some very strong and powerful opposition to the bill. Let us examine briefly the source of this opposition.

We find the first opposition comes from the Alabama Power Co., an association of southern power companies, and also of the American Cyanamid Co., a Canadian institution. They oppose the measure, in the main, because they realize the efficacy of the contention of Edison and Swan and Doctor Whitney, the representative of the Department of Agriculture who appeared before the committee, that by the process which it is proposed to put into operation and use at Muscle Shoals the price of commercial fertilizer could be reduced to the American farmer by one-half. They are in the fertilizer business or the business of manufacturing ingredients that go into fertilizers.

There are also arrayed against the bill the American manufacturers of fertilizers. Their president, Mr. McDowell, appeared before the committee in opposition to the proposition. But he, by the way, because of his knowledge of the subject and because of his honesty, made a very valuable witness for the Ford proposition before he closed his testimony.

Who else do we find against the proposition? Why, we find the great steel interests of America opposed to it, because it is believed—and I grant there is ground for the belief—that a part of the power derived from Muscle Shoals may be turned into the manufacture of electric-furnace steel. Therefore we have the United States Steel Trust throwing its influence against the Ford proposition.

Another source of opposition comes from the American manufacturers of automobiles, because it is a well-known fact that Ford controls the automobile markets of America.

Still another source of opposition comes from the International Harvester Trust. True, its power is not so great as that of the Steel Trust and the combined efforts of the automobile manufacturers, but it is worth something, possibly a vote in another place in this Capitol. We find them against it because Ford controls the price of farm tractors. When he reduced the price of the Fordson tractor the International Harvester Co. was forced to follow suit.

There are other interests arrayed against the Ford proposal in the United States. One of these is the American Aluminum Co., the former president and leading spirit of which is the Secretary of the Treasury, Mr. Mellon. That company has a plant about 100 miles above Muscle Shoals on the Tennessee River. Mr. Ford will manufacture aluminum at Muscle Shoals for use in his cars and will therefore no longer be a customer of the American Aluminum Co.; hence the opposition of that concern.

In opposition to the Ford proposal also is found the American securities brokers. A representative of a New York brokerage business appeared before the committee in opposition to the Ford offer and in support of the proposition of the

Alabama Power Co. He frankly admitted before the committee that in event the Alabama Power Co. should secure a lease on Muscle Shoals that he would hope that his firm would be shown some preference in the handling of the securities. I asked him if he expected to handle any securities for Mr. Ford in the event his offer should be accepted, and he admitted that he did not.

Next in opposition come the American importers of Chilean nitrates who filched from the Government during the war \$134,000,000 in excess profits. The very fact of their opposition should strengthen the proposition submitted by Mr. Ford.

And last, but not least, the Newberry element of the Republican Party, who know that it was Henry Ford, who started and caused to be conducted the Federal investigation of the Newberry election scandal in Michigan, which figured more extensively in the repudiation of the Republican Party at the polls in the last election than any other single issue in the campaign. It is fair to say, however, that not all of the Republicans of the country or even of the State of Michigan belong to the Newberry element, which is evidenced by the fact that Michigan elected a Democratic Senator to succeed Senator TOWNSEND, the leader of Newberry's defense in the Senate contest.

These are among the principal opponents of the Ford offer for operation of Muscle Shoals. I have shown who favors the bill for the development of Muscle Shoals, the truck farmers of the East, the grain growers of the Northwest, the fruit growers of the West and South, and the cotton growers of the South; in fact, the farmers of America of every class and section. In addition to them, the consumers of food products stand behind this legislation.

Now, I desire to ask the gentleman from Kansas [Mr. CAMPBELL], chairman of the Committee on Rules, whose committee has the power to bring the Muscle Shoals proposition before the House and which is devoting its time to the consideration and report of rules making in order bills of little or no importance to the country, what he expects to do with the Muscle Shoals proposition?

Further procrastination on the part of the chairman of the Rules Committee may place him in the position of having his name added to the list of the opponents of the Ford proposition. If he desires to support the cause of the American producers and consumers of food products, he will act without further delay and report this measure to the House. The sentiment among the farmers throughout the United States and among the consumers likewise is unanimously in favor of immediate adoption of this legislation.

Shall the special interests be favored, or shall the agricultural interests of the country be recognized by the gentleman from Kansas [Mr. CAMPBELL] and his Committee on Rules?

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I make a point of order against the bill because it is in violation of clause 5 of Rule XXI in a number of particulars which I want to point out to the Speaker.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order that the bill is not under discussion.

Mr. BLANTON. The rule provides that the point of order may be made at any time when the bill is up for consideration.

Mr. CAMPBELL of Kansas. It is not up for consideration yet.

Mr. BLANTON. Well, if the point of order is sustained it would save the time in passing on the rule.

The SPEAKER. The Chair does not think you can now make a point of order on the bill. You can not tell whether the rule is going to be adopted or not.

Mr. CAMPBELL of Kansas. Mr. Speaker, I have always been able to use what ability and time I have upon business matters in the House that are immediately before the House for consideration. I would like to have an academic discussion of Muscle Shoals at some time. That is the only thing that a special rule from the Committee on Rules could accomplish, so far as that subject is now concerned. The Committee on Military Affairs is made up of 21 members, and only 2 of them are in favor of the proposition that has been urged here this morning so eloquently by the gentleman from Alabama [Mr. BANKHEAD] and the gentleman from Kentucky [Mr. FIELDS], so that it would only be introducing an academic question here for a discussion that, it seems to me, we have not time to indulge in at present.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. Yes; always.

Mr. BANKHEAD. If the Committee on Rules will bring in a rule for the consideration of the bill introduced by the gentleman from Illinois [Mr. MCKENZIE] and give this House an opportunity to vote upon substitutes or amendments to that bill, does not the gentleman think we could then have concrete action on the whole question?

Mr. CAMPBELL of Kansas. The Committee on Rules has power enough, within the proper exercise of its powers. It should in no event become a legislative committee.

The gentleman from Alabama has already referred to the enormous power of that committee. I hope he does not urge us also to become a legislative committee.

Mr. BANKHEAD. The gentleman does not answer my question. He evades it.

Mr. CAMPBELL of Kansas. I evade nothing.

Mr. BANKHEAD. Will the gentleman answer the question?

Mr. CAMPBELL of Kansas. I think probably in my own good time I shall discuss, and probably in a more pointed way than the gentleman from Alabama would enjoy, the questions involved in the matter in which he expresses so much interest in his district. For the present, the matter under consideration having the unanimous report of the legislative committee interested in it and the unanimous report of the Committee on Rules, I move the previous question and ask for a vote on the resolution.

Mr. FIELDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas moves the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is first on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution as amended was agreed to.

Mr. BLANTON. Mr. Speaker, I make the point of order that the bill is in violation of clause 5 of Rule XXI of this House in the following particulars—

The SPEAKER. In order to bring the bill up, will the gentleman allow the gentleman from Pennsylvania to move to go into Committee of the Whole?

Mr. BLANTON. Yes.

Mr. BUTLER. Mr. Speaker, I believe under the rule I have the authority to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering S. 4137.

The SPEAKER. The gentleman from Pennsylvania calls up a bill, which the Clerk will report.

The Clerk read the title of the bill (S. 4137) to authorize the transfer of certain vessels from the Navy to the Coast Guard.

The SPEAKER. The gentleman from Texas [Mr. BLANTON] makes a point of order against the bill.

Mr. BLANTON. Because of the following provisions, which are in violation of clause 5 of Rule XXI. On page 17, line 24, section 17 provides—

That the Paymaster General of the Navy is hereby authorized, in his discretion, to make reimbursement to any individual, firm, association, company, or corporation for money advanced on behalf of the Government during the late war to any officer or enlisted man of the naval service on account of pay, if upon presentation of evidence satisfactory to himself it is established that such individual, firm, association, company, or corporation has not heretofore received reimbursement in any way for the money so advanced: *Provided*, That the total amount for the purpose of reimbursement shall not exceed the sum of \$35,000.

I submit that that, if passed, will be an authorization for the paymaster to pay out of present appropriations as much as \$35,000 for a purpose which is in violation of clause 5 of Rule XXI.

The SPEAKER. That is one of the committee amendments, is it not?

Mr. BUTLER. Yes.

Mr. BLANTON. But the committee amendment is made a part of this bill by the rule.

The SPEAKER. Oh, no.

Mr. BLANTON. It becomes a part of the bill by the rule.

The SPEAKER. The Chair understands that the Senate bill is in order with committee amendments. One of the committee amendments is what the gentleman has read, and the rule provides that those committee amendments shall be considered without the intervention of a point of order.



Mr. BLANTON. As against clause 5 of Rule XXI?

Mr. BUTLER. As against any rule.

The SPEAKER. The rule says as against all points of order.

Mr. BLANTON. There are other parts of the bill that are also in violation of clause 5. If the rule covers them and makes them in order, I do not care to take up any time.

The SPEAKER. It covers all amendments.

Mr. HICKS. Mr. Chairman, that was the very purpose of having the rule worded in that way.

Mr. BLANTON. Are sections 7 and 8 committee amendments?

The SPEAKER. It is all one amendment.

Mr. BLANTON. A part of the same amendment?

The SPEAKER. It is all one amendment. The Chair overrules the point of order. The question is on the motion of the gentleman from Pennsylvania [Mr. BUTLER].

Mr. BUTLER. Before the Chair puts that motion, shall we have the hour's time divided equally, one half to be controlled by my colleague [Mr. VINSON] and the other half by myself? I am not sure we shall use it, but I ask unanimous consent that the hour may be so divided.

Mr. BLANTON. I for one am against this bill and I want some time to speak against it. Can we be sure of some fair division of the time?

Mr. BUTLER. My friend knows I never ask any man whether he is for or against a proposition.

Mr. BLANTON. But now is the time for us who are against the bill to get our rights.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the hour be equally divided between the gentleman from Georgia [Mr. VINSON] and himself. Is there objection?

Mr. BLANTON. If I can get some time—

Mr. BUTLER. I will give the gentleman five minutes.

Mr. VINSON. I will give the gentleman five minutes.

Mr. BLANTON. Then I have no objection.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania [Mr. BUTLER] that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 4137.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. TILSON in the chair.

Mr. BUTLER. Mr. Chairman, I will ask that the first reading of the bill be dispensed with for the following reason: There are 23 different subjects in this omnibus bill, and when we reach the sections under the five-minute rule we will be glad to try to answer any questions that may be asked of us.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. BUTLER] is recognized for 30 minutes. [Applause.]

Mr. BUTLER. Mr. Chairman, I agree with my friend from Texas and I agree with the statement made by our friend from Tennessee and all the other gentlemen who have commented upon this rule. It is a little violent. In other words, it brings us to a focus, and we will not be allowed to wander very far in the consideration of the bill.

The Navy Department asked us to report in this bill 65 or 75 different measures. We went through them with the greatest care, taking from them only those provisions upon which we could all agree. The gentleman from Michigan [Mr. CRAMTON] is entirely right. This bill has been here before. It has been here many times, and men who are familiar with naval legislation, like my friend from Alabama [Mr. OLIVER], will discover that it is the same sheep in sheep's clothing—a good deal of it. I have argued certain provisions of this bill twice in the House already. They have passed unanimously. They are the first two or three sections of the bill. The first contains five paragraphs. They are intended for the enlisted men of the service which I will endeavor to explain when we get under the five-minute rule. On July 28, 1921, we had considered in this House an omnibus bill. Some of the sections went out on the objection of the gentleman from Alabama [Mr. OLIVER], who led the opposition. They were abandoned. Finally the balance of these sections were considered and adopted by the committee down to the last one. Feeling, as we did, that the House was not in favor of increasing the expenses of the ships at that time,

the measure was permitted to stand over and did stand over for one year. Then one afternoon I moved that the committee consider the omnibus bill, and they did unanimously vote to pass it on to the Senate. It has remained in the Senate until this time. The Senate added a number of amendments and we have gone through them with great care, some of them we have agreed to, and others we have disagreed to, and they are not here. Some of the provisions of this bill—I should say every provision in this bill—I believe has been recommended by the department. It was our purpose in preparing it to assist the service, as in our judgment the service needed it at this time. There has been no legislation I think for the Navy for two or three years, and therefore we have come to a period when it is absolutely necessary that something should be done in the way of legislation to maintain the service.

Now the first three sections of the bill relate to where men receive \$50 or \$60 a month, and the pay is being checked against them where they were overpaid by construction of laws by the Comptroller of the United States Treasury. Therefore we feel it is necessary to pass this bill, hoping in the end it will become a law to relieve these men.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. NEWTON of Minnesota. I notice on page 18 of the report it states that some of these claims were for the reasons that are embodied in the proposed legislation. It speaks of the Railroad Administration having raised wages and the shops of the Dubuque Boat & Boiler Works. Work had to be increased, with a consequent loss to them. Is it not practically true that every contractor had to go up against the same experience, and if the Government attempts to reimburse in all these cases where is the end going to be?

Mr. BUTLER. I am delighted to have a controversy with the gentleman, because it is always agreeable, but I confess I can not answer his question and I am going to yield to the gentleman from Illinois [Mr. BRITEN].

Mr. NEWTON of Minnesota. I thought my friend and I would be entirely in accord.

Mr. BRITEN. Mr. Chairman, I think I can answer the gentleman. We realize that the word "contractor" is like a red flag to a bull in both Houses of Congress. But the bill as now reported has the unanimous approval of the Committee on Naval Affairs, and instead of applying to contractors in the general sense it applies to shipbuilders. Ninety-nine per cent of the claims affected by this bill are of shipbuilders. In one instance the builders of the battleship *Idaho* have a million dollars awaiting them in the United States Treasury. The Secretary of the Navy desires to pay this amount to the New York Shipbuilding Co., but the comptroller says that this can not be done, and shipbuilders are powerless to collect; they have no redress under the law. They must come to Congress. Unless this legislation is passed before March 4 next the million dollars awaiting this company in the Treasury can not be paid out even over the Secretary's signature. This is not a contractor's relief bill; it is a shipbuilders' relief bill.

Mr. NEWTON of Minnesota. I do not know anything about the *Idaho* case, but it strikes me as unfortunate to give the Navy Department the right to say that because wages are raised in a certain locality the Government should reimburse the contractors.

Mr. BRITEN. The gentleman is correct; but the bill does not confer any special power on the Secretary of the Navy, but authorizes him to make an investigation, and then directs the Secretary to report to Congress through the Director of the Bureau of the Budget and the Committee on Appropriations.

Mr. VINSON. If the gentleman will yield, I will state that the Secretary is to investigate these claims, and no claim for alleged losses on account of increase of wages can be allowed unless they furnish proof that they have complied with the orders issued by the Macy Board or other governmental boards.

Mr. BUTLER. Mr. Chairman, the gentleman who led the strong opposition to this section of the bill and who is thoroughly familiar with every part of it will agree with me that the teeth have been taken out of it. The gentleman from Alabama [Mr. OLIVER] asked that the subject, after being adjudicated in some particulars, should be referred to the proper congressional committee for further examination.

Mr. OLIVER. I think the bill as now reported is in line with what the gentleman from Pennsylvania and I agreed on as the proper way to proceed. I know that if it is not altered in conference there is no danger in it at all.

Mr. BUTLER. It is certainly very harmless, so harmless it is almost laughable. Nevertheless, we have to make a start. It is impossible, my friends, for us at this time to make any exact estimate. If gentlemen will give me attention, I will

yield the floor to the gentleman from Minnesota, who will make a good speech. We have endeavored in every line of this bill to keep in touch with the record that was obtained in Congress in the way of prescribing pay to the officers and the men in the service. And in order that we might accomplish that purpose and not infringe on the rule, we had the advice of seven or eight of the most distinguished men in the service who were able to inform us. We have reported here to the House—at least we have it as a part of our report—the exact case of every one of these provisions, so that we are not attempting to impose upon the House in any way. There is no effort made to do that. It is true that this is sort of a patch-work bill, but it is necessary to take this measure just as you find it in order to get any legislation at all. I would rather see everything fail and go to the winds, be thrown aside, than that one or two sections of the bill should fail. Men of 20 years' service, who volunteered upon the request of the department and left, upon its request, to accept more important duties, to command little ships at war, when they came back and returned to their places have been reported as men of first enlistment and have lost all benefit of their years of service. They are now being checked against; and these are the provisions that I am going to stand for, let come what will to the others.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Yes.

Mr. McKENZIE. With respect to the matter brought up by the gentleman from Minnesota [Mr. Newton], the gentleman from Pennsylvania will remember that after the war we passed a law known as the Dent law.

Mr. BUTLER. Yes; the gentleman voted for it, and so did I.

Mr. McKENZIE. We passed it with a great deal of apprehension.

Mr. BUTLER. I did not.

Mr. McKENZIE. And the abuses that grew out of that law were, of course, something terrific.

Mr. BUTLER. I voted for it cheerfully, because I relied upon my friend, the gentleman from Illinois [Mr. McKENZIE], and if the bill is a bad one, he is to blame for it and not I.

Mr. McKENZIE. I voted for it although I thought it was a bad bill.

Mr. BUTLER. Oh, I simply followed the gentleman from Illinois.

Mr. McKENZIE. Is this bill merely to be a revival of the Dent bill so far as the Navy is concerned?

Mr. BUTLER. No; it is not like it at all. It is not any more like the Dent bill than a goat is like an elephant. I am not enamored of that provision because, as I said, it is so harmless, so childlike, that I think it is practically useless.

Mr. McKENZIE. The gentleman is sure that it will not out-Dent the Dent law?

Mr. BUTLER. They can do nothing more than report the matter to the Budget, and then go to the Committee on Appropriations and that committee may not appropriate anything at all.

Mr. McKENZIE. And still the gentleman is a little suspicious about it.

Mr. BUTLER. It does not accomplish a whole lot, but it is better than nothing.

Mr. BRITTON. I think it ought to be said to the House that of the 24 provisions in the bill, all have been at one time or another reported to the House by the Committee on Naval Affairs, and every section of the bill has the unanimous approval of that committee.

Mr. BUTLER. Yes; and I will supplement what my friend says by saying this: There is no attempt whatever to put anything over on this House. These bills have all been reported at some time and the reports are of record. These are simply the measures that have been hanging on for almost two years and we have put them together in a string, and we are going to ask you to vote for this string as you find it, because you have voted for nearly three-fourths of these cases on other measures before.

Mr. VINSON. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. Connally].

Mr. CONNALLY of Texas. Mr. Chairman, this Congress will adjourn within a few days, and its committees and activities, of course, will cease with the life of the Congress. We are appropriating at the present time something like a half billion of dollars annually, which is being disbursed by the Veterans' Bureau. There are now pending before the various committees of the House a large number of resolutions proposing investigations by the House of the activities of the Veterans' Bureau. The gentleman from North Carolina [Mr. Bulwinkle], as long ago as September, 1922, introduced such a resolution, and

other gentlemen have introduced them, but this House has taken no action and has shown no disposition to go into the affairs of the bureau.

We all know there has been widespread complaint in respect to the activities of the bureau. There has been charges that the purchases of hospitals in some instances and of sites have been very irregular. There have been charges that in the matter of the purchase of supplies there have been irregularities, and there have been wholesale charges of inefficiency and of waste and extravagance in the bureau. My contention is that Congress does not perform all of its duties when it merely appropriates a half billion dollars for this work. Its duty goes further and requires that so far as possible Congress shall see to it that such activities are properly administered.

A short time ago Colonel Forbes, the director of the bureau, went to Europe. It was given out that his visit to Europe had nothing to do with a prospective resignation. Prior to his going there had been a great deal of rumor about a prospective shake-up in the Veterans' Bureau. After he reached Europe the White House gave out a statement that it was probable that Colonel Forbes, upon his return, would find his health in such condition that he would feel it necessary to resign from the directorship of the bureau.

When he went to Europe it was stated that he had no intention of resigning, but after having visited Europe for his health it then became apparent to the White House that he would probably resign upon his return, and to-day's press dispatches carry a report that Director Forbes has resigned by cable.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. RANKIN. How long did he have his health treated in Europe before he decided to resign or to telegraph his resignation?

Mr. CONNALLY of Texas. I am sorry that I can not give the gentleman that exact information, but the rumor prior to his going that there was to be a shake-up in the bureau, then his going to Europe and the subsequent report from the White House that he intended to resign on account of his health when he returned, and now his actual resignation, if true, all bear an apparent relationship to each other. There must be some reason for his resignation.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield? Mr. CONNALLY of Texas. Not for a moment. There must be something the matter with the colonel's health or something the matter with the health of the bureau. I yield to the gentleman.

Mr. DICKINSON. I would like to know if the gentleman has any charges that he wants to make against the management of this bureau under Colonel Forbes, and if he has, why does he not state them?

Mr. CONNALLY of Texas. I am not appearing as a prosecutor. I do not know—

Mr. DICKINSON. The gentleman is appearing as the mouth-piece of the discontent against that bureau.

Mr. CONNALLY of Texas. I shall yield to the gentleman when I want to yield, and if the gentleman insists on my yielding when I do not want to yield, I will have to invoke the rules of the House. No; I do not know because if I knew absolutely I would go and lay them before the grand jury of the District of Columbia or in whatever district the proper jurisdiction might lie, but I am not unwilling that Congress shall hear the facts, and I have introduced a resolution providing for a joint inquiry by the Senate and the House during the recess, and Congress through that committee will have plenty of time to investigate the bureau. The joint resolution will have the force of a statute, but a resolution of this House will die when this House goes out of session on the 4th day of March.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONNALLY of Texas. Will the gentleman yield me one more minute?

Mr. VINSON. I yield the gentleman one minute.

Mr. CONNALLY of Texas. Now, gentlemen, let me ask the gentleman from Iowa, who seems unduly disturbed about the desire to investigate, Why is the gentleman from Iowa so much disturbed? If there is nothing wrong in the bureau or out of the bureau, the gentleman from Iowa ought not to wince at an investigation of the bureau. We are the ones who are responsible; we are responsible to the people of the United States, and I do not want this House to sit here and let the Senate conduct an ex parte investigation by a committee of two Senators, which will go out of existence on the 4th day of March, and then let it go out to the world that the bureau has been investigated. But the investigation ought to be conducted by both Houses, because we are the Representatives here of the people, and this House ought not to shirk its responsibility



always and let the Senate do things alone that ought to be done by the Congress. I believe this matter ought to be gone into when the committee of Congress has the time, because it will then have the time to properly do this work, and if there is something wrong we shall know it, and if there is nothing wrong we shall have the satisfaction of knowing that there is nothing wrong. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BUTLER. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. VINSON. I also yield five minutes to the gentleman from Texas.

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. BLANTON. Mr. Chairman, under the rule which we have adopted and the rules of the House, not a single Member of Congress, besides the committee, will be able to change one word of this bill proposed—

Mr. HICKS. Oh, will the gentleman yield?

Mr. BLANTON. Not a single amendment will be permitted to be offered from the floor by a Member of Congress who is not on this committee.

Mr. HICKS. Will the gentleman yield?

Mr. BLANTON. In just a minute, I have not the time now.

Mr. HICKS. The gentleman wants to make a fair statement.

Mr. BLANTON. Can the gentleman offer an amendment under the rule?

Mr. HICKS. Why, certainly.

Mr. BLANTON. Can the gentleman—

Mr. HICKS. Why, certainly, I have two or three to offer.

Mr. BLANTON. The committee can.

Mr. HICKS. Anybody can.

Mr. BLANTON. Well, in my judgment, the rule restricts otherwise.

Mr. HICKS. If the gentleman will read the rule he will find that it does not speak otherwise.

Mr. BUTLER. I will say to my friend I have these amendments to offer.

Mr. BLANTON. Mr. Chairman, I am not going to vote for such rules as long as I am a Member of Congress, and I think I will be here for a while—

Mr. KNUTSON. I hope so.

Mr. BLANTON. I am not going to vote for any rule such as the one which just passed this House, and I am not going to vote for any piece of legislation that is made in order by any such restrictive rule as long as I am a Member of the House. I am not going to vote to make of myself and my colleagues mere rubber stamps—

Mr. STEPHENS. Will the gentleman yield?

Mr. BLANTON. Or open-mouthed mocking birds which have to swallow everything that the committee sticks down our throats. I regret I can not yield. I have not the time. I am not going to gag and hog tie myself in any such way.

Mr. STEPHENS. Will the gentleman yield?

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. You may vote for such rules if you want to, but I am going to reserve to myself the right to pass upon legislation for which I am held responsible to the people of my district and to the country.

Mr. STEPHENS. Will the gentleman yield?

Mr. BLANTON. I will not yield to the gentleman because I have not the time.

Mr. STEPHENS. The gentleman has time to interpret the rule correctly, and the gentleman has not the right to interpret it incorrectly.

The CHAIRMAN. The gentleman from Ohio must not interrupt without the permission of the Member speaking. The gentleman from Ohio is out of order.

Mr. STEPHENS. Let the gentleman tell what the rule is.

Mr. FIELDS. I call the gentleman to order.

Mr. STEPHENS. There is nobody around here who interprets the rule that way, and I want the gentleman to interpret the rule the way the rule is framed.

The CHAIRMAN. The gentleman from Ohio is out of order and will take his seat.

Mr. BLANTON. The Chairman will not take all these interruptions out of my time, if you please.

The gentleman from Kansas [Mr. CAMPBELL], the Chairman of the Committee on Rules, when presenting this rule for passage, stated from the floor several times, "Why, this is a unanimous report from the Committee on Naval Affairs." That should be sufficient! His intimation was that it being a unanimous report from a committee, it should be accepted as all sufficient and perfect by the membership of the House without investigation and consideration.

I have learned something about "unanimous reports" from committees since I have been in Congress. I have learned that we can not always accept them. That is why I investigate them all for myself. Why, just the other day here in the House, there was brought before us for passage on unanimous consent day, from the Unanimous-Consent Calendar, when bills are sometimes passed in three minutes time, a bill from the great Committee on the Judiciary, a committee of lawyers and judges, who are presumed to know the law, and are presumed not to bring any proposed law before us for passage that is ridiculous. The gentleman from Kansas, with equal propriety, could have then arisen and said: "This bill has a unanimous report from the committee," for in fact it did have a unanimous report from the great Committee on the Judiciary. Yet the bill was ridiculous, for it provided that should any citizen engage in an altercation with a Federal agent or officer, and such Federal agent or officer should die, such citizen was guilty of murder, and should be tried and punished for murder in a Federal court, regardless of the facts or circumstances. It did not require any of the ingredients of murder to be connected with the altercation, such as is required by the laws of every State in the Union. It did not require malice aforethought, express or implied. It did not require premeditation. It did not require a design to kill. But if some Federal agent went to the home of some citizen, wholly unknown to such citizen, and told such citizen that he was an officer, and then by insults or unwarranted conduct exasperated such citizen to engage in an altercation with him, and death ensued to such officer, such citizen would have been guilty of murder, by the provisions of such bill recommended for passage by a unanimous report from the Committee on the Judiciary. And if it had not been for my objection, which I made, or the objection from some other Member, that bill might have passed under unanimous consent, without any argument, just by merely reading it and passing it, Members not knowing anything about it. That is the way lots of bills pass that become the law of the land.

It pays to watch these bills. That is why I take time to watch them. That is why I spend hours in my office at night looking into bills that may come up, affecting the interests of the people.

This bill contains 21 pages. Do you know what it proposes? It proposes to increase the cost of the battleship *Colorado* \$800,000 of the people's money. It proposes to increase the cost of the scout cruisers Nos. 9 and 10, \$150,000 of the people's money. It proposes to increase the cost of the destroyer tender No. 3, \$1,500,000 of the people's money. It proposes to increase the expense that we are to go on our 13 capital ships, naming them, to the extent of \$6,500,000. To be exact, so that I may not be unfair in any way, let me quote these provisions from the bill, to wit:

TO INCREASE THE AUTHORIZED COST OF CERTAIN VESSELS NOW BUILDING FOR THE NAVY.

SEC. 7. That the limits of cost of the vessels heretofore authorized and herein below enumerated are increased as follows: Battleship *Colorado*, from \$17,000,000 to \$17,800,000; scout cruisers numbered 9 and 10, from \$8,250,000 to \$8,400,000 each; and destroyer tender numbered 3, from \$3,400,000 to \$4,500,000.

REPAIRS AND CHANGES TO CAPITAL SHIPS.

SEC. 8. That the restrictions contained in the acts of March 2, 1907, and August 29, 1916, as to the amount that may be expended for repairs and changes to capital ships shall not apply to such sums as the Congress may from time to time appropriate for modernization, by increasing the elevation and range of turret guns, of the following-named battleships: *Florida*, *Utah*, *Arkansas*, *Wyoming*, *Pennsylvania*, *Arizona*, *Oklahoma*, *Nevada*, *New York*, *Texas*, *Mississippi*, *Idaho*, and *New Mexico*: *Provided*, That the cost of such increase in the elevation and range of such turret guns shall not exceed the sum of \$6,500,000, to be immediately available and to remain available until expended.

Is that carrying out your idea of the reduction of armaments which is understood to be the policy of our Government? Are you in favor of thus wasting additional money on battleships which may soon be scrapped and become worthless?

I would like to help out our friends who belong to these shipbuilding corporations. I see our amiable and likable friend, the manager of the New York Shipbuilding Corporation, in the gallery now. I think as much of him as you gentlemen do. I would like to help out his corporation to the extent of some of these millions if it were not taking it out of the pockets of the tax-burdened people of this land.

Mr. BRITTEN. Will my friend yield for one short question?

Mr. BLANTON. I have not time to yield, I regret to say. I want to tell you something about your bill, your 21-page omnibus bill.

Mr. BRITTEN. Unfortunately the gentleman does not understand the bill.

Mr. BLANTON. I do not yield to the gentleman.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. I like the gentleman from Illinois. I am with him on many propositions. And while we now disagree I am still smiling at him. [Laughter.] I think that I understand the English language. Let me show you another provision here in this bill. Here is the kind of a bill that is brought in under a rule where we shall not be permitted to change the dotting of an "i" or the crossing of a "t." Here under the head of "United States Navy Band," now stationed at the navy yard, Washington, is this provision:

That hereafter the band now stationed at the navy yard, Washington, D. C., and known as the Navy Yard Band shall be designated as the United States Navy Band, and the leader of this band shall receive the pay and allowances of a lieutenant in the Navy.

And then it provides for a lot of other salaries.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield on that question, on the band question?

The CHAIRMAN. Does the gentleman from Texas yield to the gentleman from Ohio?

Mr. BLANTON. I regret that I can not yield, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio can not interrupt the gentleman who has the floor.

Mr. BLANTON. To be exact, I want to quote this section from the bill, to wit:

#### UNITED STATES NAVY BAND.

SEC. 22. That hereafter the band now stationed at the navy yard, Washington, D. C., and known as the Navy Yard Band, shall be designated as the United States Navy Band, and the leader of this band shall receive the pay and allowances of a lieutenant in the Navy: *Provided*, That all service as an enlisted man in the naval service shall be counted in computing longevity increases for pay of this leader: *Provided further*, That no back pay or allowances shall be allowed to this leader by reason of the passage of this act: *And provided further*, That hereafter during concert tours approved by the President members of the United States Navy Band shall suffer no loss of allowances.

In what way are the people of the United States, who are now heavily tax burdened, interested in paying the salaries and expenses of a United States Navy Band to make concert tours over the United States under the direction of the President? The people now are more concerned about getting coal during this prolonged blizzard.

But now let me quote from the bill the provision about the Marine Band. This provision in the bill is as follows:

#### MARINE BAND.

SEC. 14. That the band of the United States Marine Corps shall consist of 1 leader whose pay and allowances shall be those of a captain in the Marine Corps; 1 second leader whose pay shall be \$200 per month and who shall have the allowances of a sergeant major; 10 principal musicians whose pay shall be \$150 per month; 25 first-class musicians whose pay shall be \$125 per month; 20 second-class musicians whose pay shall be \$100 per month; and 10 third-class musicians whose pay shall be \$85 per month; such musicians of the band to have the allowances of a sergeant: *Provided*, That the second leader and musicians of the band shall receive the same increases for length of service and the same enlistment allowance or gratuity for re-enlisting as is now or may hereafter be provided for other enlisted men of the Marine Corps: *Provided further*, That the pay authorized herein for the second leader and the musicians of the band shall be effective from July 1, 1922, and shall apply in computing the pay of former members of the band now on the retired list: *Provided further*, That in the event of promotion of the second leader, or a musician of the band to leader of the band, all service as such second leader, or as such musician of the band, or both, shall be counted in computing longevity increase in pay: *And provided further*, That hereafter during concert tours approved by the President, members of the Marine Band shall suffer no loss of allowances.

This is the society band.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. It is the band to which distinguished reference was made in noted correspondence out to the Northwest a short time ago; the band that furnishes music at the big receptions in Washington for the high society leaders in this country; and your people in Oklahoma, MANUEL, are paying the bills. [Laughter.] I am not in favor of any such legislation coming before this House under special rule.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, I love my distinguished friend from Pennsylvania.

Mr. STEPHENS. Are you not in favor of music?

Mr. BLANTON. Oh, if I were the music of the gentleman would make me sick. [Laughter.] I have all the confidence in the world in my good friend from Pennsylvania, and—

Mr. BUTLER. I would not do anything to break it—

Mr. BLANTON. I would do anything in the world personally to please him. But he is so kind-hearted that when these fellows come before his committee to raise the pay of this high-society band he can not turn them down. [Laughter.]

Mr. BUTLER. Oh, turning all this noise aside, if you pass this bill the members of the band will receive less money than they ever did. This is the old figure that the comptroller ruled out.

Mr. BLANTON. My friend will not deny that this is the society band in Washington?

Mr. BUTLER. I do not know whether it is or not. I am not a member of society, except the great, big, human society.

Mr. BLANTON. But this is the band that plays for the receptions at the White House?

Mr. BUTLER. Yes; it does; and good music, too.

Mr. BLANTON. And for the receptions of the Cabinet officers and the receptions of Members of the House and Senate when they have their receptions here in Washington.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BLANTON. I am glad to yield to my friend from California.

Mr. MACLAFFERTY. I want to ask the gentleman what kind of music does he think the White House ought to have? Should they just tie a tin can to Liddle Boy's tail and run him around the lawn? [Laughter.]

Mr. BLANTON. I am in favor of having music there when the President wants it, and letting the President pay for it out of the \$75,000 and other big allowances that the people pay him every year.

Mr. STEPHENS. Have they not had that music ever since the Constitution was adopted and the Government was founded, or is this anything new?

Mr. BLANTON. I love insistence. I love a man to be persistent, and therefore I will yield to the gentleman from Ohio.

Mr. STEPHENS. Is the establishing of this band a new matter, or has it been in existence ever since the Government was founded?

Mr. BLANTON. This is so important that you have to let our friend PHIL in the closing days of the session, as an important service, bring in a bill of this kind under rule. This is the crowning effort of PHIL's life. If he can just pass such legislation as this, he will go home to Kansas feeling like his service here has been worth while.

Mr. BRITTEN. Now, will my friend yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRITTEN. Will the gentleman from Pennsylvania yield to me one-half minute?

Mr. BUTLER. If I have it I will. I do not see how I can divide time which I have not got. I will ask the Chair how much time have I?

The CHAIRMAN. Eleven minutes.

Mr. BUTLER. I will give the gentleman one-half minute out of that, because I have promised to yield 10 minutes to my friend, the gentleman from Minnesota [Mr. KNUTSON].

Mr. BRITTEN. I thank the gentleman. For the benefit of the House, because many Members come and go during a debate of this kind, I should like to suggest to my friend from Texas [Mr. BLANTON] that I am sure he always tries to be fair. When he refers to the New York Shipbuilding Co. and the building of the battleship *Idaho*, I should like to say to him that I hold in my hand a copy of a telegram from the Secretary of the Navy to the New York Shipbuilding Co. sent during the war, telling that company to "Expedite the completion of the battleship *Idaho* and we will pay you for any increases in cost of construction. The shipbuilding company is directed to submit increases to the department for approval." The increase amounted to about \$1,000,000. Congress appropriated that money. It is lying in the Treasury. Is not the gentleman from Texas desirous of having that money go to the contractors, where it belongs, under conditions of that kind?

Mr. BUTLER. I yield the remainder of my time to the gentleman from Minnesota [Mr. KNUTSON].

Mr. VINSON. I also yield to him five minutes.

The CHAIRMAN. The gentleman from Minnesota [Mr. KNUTSON] is recognized for 15 minutes.

Mr. KNUTSON. Mr. Chairman, several days ago the press carried a statement that there is a food shortage of over 2,500,000 tons in Europe and owing to the unrest and disturbed conditions prevailing on that continent the countries where the shortage is most acute can not go into the markets of the world and replenish their larders. The military operations now being conducted by France is primarily responsible for our failure to dispose of the large surplus stocks of foodstuffs which we have on hand. Millions of bushels of potatoes were allowed to rot in the ground last fall because there was no market for them. Our farmers were compelled to sell their crops last year for considerably below the cost of production. All this because our European markets have been largely destroyed, and there can be no ground to hope for an improvement until certain countries in Europe go to work instead of sitting around waiting for impossible reparations.

I make these preliminary observations to show that we are vitally interested in the welfare and stability of Europe and that we should no longer remain indifferent to what is going



on over there if we are to retain a semblance of prosperity in this country.

The subjects of reparations and the invasion of the Ruhr are two burning topics at present. In the January issue of the Forum appeared a very sane and thoughtful article by Dr. Henry W. Temple entitled, "The reparations crisis," from which I quote:

Three things have brought Europe to the verge of economic ruin: The loss of man power and of capital during the four years of war, certain crushing and unworkable provisions of the peace treaty, and the continuing fears and jealousies of governments and peoples which have perpetuated old hatreds and created new ones. It is true that the present crisis arises out of the differences of opinion between the British Government and the French Government concerning Germany's willingness or ability to meet the reparations payments and the measures that ought to be taken to collect from the unwilling or bankrupt debtor.

Now let us see what Doctor Temple says about what Germany had paid to the Allies up to December 31, 1920:

On January 23, 1921, the Reparation Commission issued a statement showing that prior to December 31, 1920, Germany had delivered, in payment of the preliminary 20,000,000,000 gold marks, the following ships and commodities:

Coal, estimated at 17,818,840 tons; sulphate of ammonia, 19,000 tons; steamers, sailing vessels, and trawlers, 2,054,729 tons gross; river craft and material, 88,780 tons; live stock, 360,176 beasts; seeds, 6,882,588 kilos; dyes and dyestuffs, 10,787,827 kilos; pharmaceutical products, 57,823 kilos; rolling stock (locomotives), 4,571; rolling stock (freight cars), 129,555; motor lorries, 5,000; railway material, 140,000 tons; agricultural machinery, machines, and implements, 131,505. In addition, the commission's statement showed that Germany had delivered the submarine cables under German control, of which only those privately owned were to be credited to reparations. The statement of the Reparation Commission further said that the list did not include certain other deliveries for which figures were not yet completely determined. In addition to these deliveries there were others not to be credited to the payment of the 20,000,000,000 gold marks, but which were in the nature of restitutions to France and Belgium for agricultural material, industrial material, locomotives, and freight cars to compensate for those seized by Germany in territory belonging to France and Belgium.

Conflicting estimates were placed upon the value of the payments in kind, but there is no doubt that they fell far short of the 20,000,000,000 gold marks required.

Let me say, by way of digression, that in traveling from Berlin to Cologne I did not see a single cow, and the children of Germany are undernourished for the want of milk. The Allies have taken their cows from them.

In fact about everything that has been produced in Germany since the time of the armistice has been taken away from them. When I was over there they could not operate all of their factories because they did not have coal enough. The Allies were taking two-thirds of the coal that was produced.

Doctor Temple estimates that the total value of reparations paid by Germany is less than 20,000,000,000 gold marks. I have here before me a statement prepared by the German Embassy which shows that Germany has paid to date in round figures about 40,000,000,000 gold marks. And then they talk about her being an unwilling debtor.

Mr. NORTON. That would be about \$10,000,000,000.

Mr. KNUTSON. Yes; that would be about \$10,000,000,000. I will insert the figures furnished by the embassy.

DETAILED STATEMENT PREPARED BY THE GERMAN EMBASSY OF REPARATION PAYMENTS AND DELIVERIES MADE BY GERMANY UP TO MAY 1, 1922.

I. Delivery of property, etc., existing at time of conclusion of peace:	
1. Property of Reich and States in Germany and abroad	Gold marks. 4,770,000,000
2. Saar mines	1,100,000,000
3. Cables	85,500,000
4. Goods left behind in territories formerly occupied by German armies	3,000,000,000
5. Railroad material delivered under the armistice	1,626,000,000
6. Merchant marine	7,310,300,000
7. River boats	78,000,000
8. Shares of Morokkau States Bank	650,000
9. German property liquidated in allied countries	11,700,000,000
10. Transfer of German claims against former allies of Germany	7,000,000,000
	36,610,450,000
II. Deliveries of goods produced after conclusion of peace:	
1. Coal, coke, and by-products	Gold marks. 475,000,000
2. Dyestuffs and chemical-pharmaceutical products	44,000,000
3. Animals	104,000,000
4. Deliveries for reconstruction of devastated regions	30,000,000
	630,000,000
III. Cash payments:	
1. For redemption of scrap material (arms, munitions, engines, etc., destroyed under treaty)	26,000,000
2. Diversa	10,000,000
	36,000,000
Total	37,299,450,000

REPARATION PAYMENTS MADE BY GERMANY AFTER MAY 1, 1922, UNTIL JULY 31, 1922.

Gold marks.	
1. Cash payments	1,498,950,000
(One billion four hundred and forty-six million payments in foreign valuta; payments in consequence of recovery act, 52,000,000; diversa, 950,000.)	
Gold marks.	
2. Delivery in kind	1,194,000,000
(Railroad material in ceded territories, 501,500,000; river boats, 82,000,000; animals, 86,500,000; coal, coke, and by-products, 409,000,000; dyestuffs and chemical-pharmaceutical products, 23,000,000; reconstruction deliveries for devastated regions, 100,000,000; deliveries under recovery act, 42,000,000.)	
PAPER MARKS.	
1. Clearing payments	22,411,000,000
2. Occupation army	14,000,000,000
3. Interallied commissions	2,900,000,000
4. Restitutions and substitutions (animals, engines, and other material, delivery of war material)	6,340,000,000
5. Guaranty payments to guaranty committee	3,375,000,000
	49,026,000,000

On May 10, 1921, Germany, under pressure, accepted the estimate made by the Reparations Commission of the additional reparations which the commission fixed at the sum of 132,000,000,000 gold marks (about \$33,000,000,000).

That all of the Allies do not approve of the Ruhr invasion is proven by the following from the same article:

Of the proposal to occupy the Ruhr Valley the British Prime Minister said to the House of Commons: "We can not look with equanimity upon any action which seems to us likely or which we believe will have the effect not of producing reparations but making them more difficult to get, perhaps making them impossible altogether." The Prime Minister continued: "I believe, and think that almost everyone believes, that the terrible trouble in Europe is that there is no hope of any solution unless France and we get together. I am perfectly sure of this, and I and the Government which I represent will be acting according to the wishes of the whole nation if we make clear that the difference is more serious than a difference between Governments. The difference likely to arise is the difference between the public opinion of two countries, and we are looking from the point of view of maintaining good relations. That makes it more dangerous than if the only question were the difference of opinion between individuals and Governments, and that is the reason, I am sure, we at home and the French Government will utilize the time that still remains to try to find some common method to deal with this problem."

Continuing, Doctor Temple says:

The British Premier recognizes that the German Government has allowed a tremendous inflation of its currency to take place, which has the effect in itself of making it impossible for Germany to meet any claims for reparations. He says also that the French go further and say that this was deliberately done by Germany, but he adds: "Honestly, I can not, myself, take that view; and this is the reason: It is perfectly true that by that method of passive resistance they can avoid forever paying any indemnity, but it only means what is very like suicide for Germany. I can hardly believe that any sane government would deliberately adopt that course."

And mark further these words by Doctor Temple:

Even in this statement of the differences between his own opinion and that of the French Government we may observe some progress toward agreement. It is only a few weeks ago that many persons in France and even observant travelers in Germany were divided in opinion as to whether Germany was unable to pay or was really prosperous.

How true is this observation by Doctor Temple:

Payment of immense sums by one nation to another, whether in reparation for war damages or for credit upon war loans, can not be made at once. They must be waited for with long patience. This sum owed by Germany is larger than the total owed to the United States by the 20 European nations. If the victors, who among them have already received from Germany more than 1,000,000,000 gold marks and the several billion marks in value represented by the payments in kind mentioned above, are unable to pay even the interest on eleven and one-half billions, it would appear reasonable that Germany may be unable to pay any large part of the reparations, amounting to a still greater sum. It will be generally recognized in America that there would be no injustice in collecting from Germany the whole of the 132,000,000,000 of gold marks (\$33,000,000,000), named by the Reparation Commission as necessary to cover the damage for which Germany is responsible, if collection were possible. But if attempts at immediate collection by force would precipitate ruin that would affect not only Germany but western Europe and America as well, then it is to be devoutly wished that the conference adjourned at London because of disagreement between France and Great Britain may be resumed later with better hope of reasonable adjustment.

Prior to the war Germany was one of our best customers. In 1913 we exported to her goods and raw materials in excess of \$350,000,000. She would again assume that rôle were she given a fair opportunity to engage in manufacture and commerce. That she should rebuild the devastated regions and pay a reasonable reparation for the damage which she wrought no sane man would deny, but when the terms imposed upon her by the victors in the treaty of Versailles are far beyond her ability to pay, she is justified in proclaiming her inability to meet the imposed obligations. Mr. Boyden, the American observer in Europe, has stated his belief that the terms are impossible for Germany to meet; likewise has the British member of the Reparation Commission so declared. These men are both

financial and economic experts; indeed, Mr. Boyden, who was first appointed by the late Wilson administration, has shown such a wonderful grasp of the situation in Europe that he is being continued on by President Harding.

All who have studied the situation in Europe must be agreed that the time has come for us to break our long and inexplicable silence. We have every right to speak our opinion at this time. We played a very important part in the winning of the war. Without us it is doubtful if the Allies could have won. It was our man power and almost inexhaustible wealth and resources in necessary materials that made victory for the Allies possible.

In a message delivered to a joint session of Congress President Wilson stated that we were not fighting the German people but the German military machine and the reigning family. That statement found a responsive echo in the breasts of the American people. The Hohenzollerns have been driven from the country and the mighty German military machine has been utterly destroyed, yet there is not peace. France feigns fear that somewhere in Germany there are vast stores of armament and munitions ready for instant use for another war, yet we have been assured by the several allied commissions which had charge of the transfer of war materials after the war that everything has been delivered up. Many eminent military men are agreed that the next war will be fought and settled in the air, yet Germany has not a single airplane suitable for that purpose, while France has to-day by far the largest number of military airplanes of any nation on earth. The cold fact is that France is seeking to dismember the German Republic and render it not only harmless from a military standpoint but also economically. The world knows this, and France is not deceiving anyone but herself. It is the birth rate in Germany that is worrying France. Fifty years ago both countries had about 38,000,000 souls each. To-day Germany has 68,000,000, while France has about the same number as in 1870. There is the crux of the whole thing. France would prefer to have Germany remain in default of her reparation payments so that she may continue to have a semblance of an excuse for occupying the Ruhr, without which Germany will sink into helplessness and her people into economic slavery. Do we, the American people, want to see this happen? I think not, and if I am not mistaken the foreign policy of this country will be a very important issue in the campaign of next year.

Did we go to war to break down a vast and menacing military machine only to have another set up in its place? I think not; yet France had on September 1 a standing army of 750,000 men, all armed to the hilt. Her 1923 budget calls for an army of 690,000. A disarmed and defenseless nation has been invaded with all the severity and rigor of unadulterated militarism. Of the allied powers that cooperated to render Germany helpless, Great Britain alone has protested. How much longer will we stand aside and permit our sacred pledges and promises made prior to the armistice to be ruthlessly violated?

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. KNUTSON. No; I can not yield. I have only a little time left. The American people are good sportsmen, and do not sympathize with the rapacious and underhanded diplomacy now being carried on in Europe, and some day the Europeans will be made to realize it.

From the signing of the armistice France has been doing everything in her power to goad and crush the pride of the German people. She sent thousands of Senegalese, Arab, and other African troops into occupied Germany, and the crimes and outrages that these brutes committed would cause a feeling of revolt among the American people did they but know. Last fall the gentleman from Connecticut [Mr. TILSON] upon his return from a trip to Europe intimated that these troops had been removed. At that time I challenged his statement. The Adjutant General's office informs me that there are about 20,000 African troops now on the Rhine. A press dispatch contained in the Washington Star for January 28 reads in part—I read:

The same dispatches report considerable recklessness on the part of the French Algerian cavalry since a state of siege was proclaimed—at Treves—the cavalymen riding through the streets at breakneck speed and menacing civilians.

Far be it from me to attempt to justify the acts committed by the Germans during the war, but I will say that every fiendish act performed by them probably has its parallel in other wars for which the Germans were in no way responsible. If my memory serves me correctly, France instigated and encouraged the Thirty Years' War, which laid Germany in waste from one end to the other and reduced her population from 18,000,000 souls to less than one-half. Was it not the French who under Napoleon marched from one end of Europe to the other, killing, looting, burning, and outraging? Was it not the

British who during the Napoleonic war sailed into the harbor of Copenhagen and destroyed the Danish fleet at a time when that small and weak country was neutral? Did not the English also establish a blockade about Norway in 1812 when she feared that Napoleon would return from his Russian campaign by way of the Scandinavian peninsula, and did not several hundred thousand Norwegians die of starvation as a result of that blockade—and was not Norway strictly a neutral country at the time? Was it not the British who took captives of war during the Indian mutiny and tied them in front of the muzzles of cannon and blew them to pieces? Did not General Sheridan make his boast that when he got through with the Shenandoah Valley a crow would have to carry its rations in flying across that fair territory? Did not General Sherman lay waste a strip of country some 30 miles wide in his march to the sea? Did not the South have its Andersonville and Libby prisons? Was it not France who invited the leading powers of Europe to intervene in behalf of the Confederacy when we were striving with might and main to preserve the Union, and did not she take advantage of our stress to set up a monarchy in Mexico in violation of the Monroe doctrine? Worst of all, did not the Belgians commit the most inhuman atrocities upon the people of the Congo, who were utterly helpless, and was it not necessary for the great powers to protest their actions and demand that they cease?

I am not criticizing any of these acts. All of them may have been necessary for military reasons. I merely refer to them to show that other peoples in other wars also have used methods which do not conform to our ideas of civilization. War is what General Sherman said it was.

When I was a boy back in the early nineties all national political campaigns were predicated upon the Civil War, and politicians went about the country waving the bloody shirt and inflaming the public mind at a time when all sober and thinking people were trying to bind up the wounds of that tragic conflict. For 30 years these men kept themselves in power by appealing to the baser in men's nature. I dare say the same methods were employed in Southern States.

We must continue to live together in this old world of ours for an indefinite period, and how much better it would be for all of us if those who seek to keep open the wounds of war were relegated to the rear. It is water that has gone over the wheel and there is nothing to be gained by continual appeal to the hates and prejudices of mankind.

Mr. Chairman, the United States of America comes nearer to enjoying the confidence of the European countries than any other nation. In that position a sacred duty rests upon us. We should immediately call the great powers of the earth together in Washington for an economic conference and a commission should be appointed by that conference to determine just what Germany can pay and yet keep going. We must not permit her to be destroyed. Her people are of the great Nordic race, and when the inevitable hour comes when the white and yellow races come to a death grapple for supremacy a strong and virile Germany will be of inestimable assistance—yea, she will be indispensable.

Mr. BUTLER. Mr. Chairman, in order that I may separate myself entirely from the views expressed by the gentleman who has just made this speech [Mr. KNUTSON], I wish to say that I yielded to him 10 minutes, and he was entitled to that time. I did not know on what subject he was about to speak, because I never ask a gentleman that, but I want to say here and now that I do not in any way agree with him. [Applause.] My sympathies are all with France, and I want to see France collect the money that Germany owes her, as France in 1873 willingly paid her indemnity to Germany. [Applause.]

Mr. VINSON. Mr. Chairman, I occupy the same position as that occupied by the distinguished gentleman from Pennsylvania [Mr. BUTLER]. I, too, yielded to the gentleman from Minnesota [Mr. KNUTSON] five minutes, but my sympathy is entirely with France. On the battlefields of France the blood of my brother was spilled, and under no condition is my sympathy with Germany. [Applause.]

Mr. STEVENSON. Will the gentleman yield?

Mr. MAPES. Will the gentleman yield?

Mr. VINSON. I am sorry that I have not the time.

Mr. Chairman, as stated by the distinguished chairman of the Naval Affairs Committee, the Senate bill now under consideration, with the various committee amendments, has been given most careful consideration and after hearings of many weeks the committee unanimously indorses and supports this bill.

As the bill has been on the calendar only for a few days, and probably in the rush of time many Members who desire to do so may not have had an opportunity to carefully investigate



the various amendments and to read the hearings, therefore in the time allotted to me I shall in a brief manner discuss a few of these sections so when they are reached under the five-minute rule the Members will be fully cognizant of what they are.

Section 1 of the bill merely authorizes the transfer of certain vessels from the Navy to the Coast Guard.

Sections 2, 3, 4, 5, and 6 have heretofore passed the House but failed to receive consideration in the Senate, therefore I will not at this time discuss these various sections.

Section 7 provides for the increased cost of construction of the battleship *Colorado* from \$17,000,000 to \$17,600,000, and for the increased cost of two scout cruisers Nos. 9 and 10, known as the *Concord* and *Richmond*, from \$8,250,000 to \$8,400,000 each; and the increased cost of destroyer tender, known as the *Dobbin*, from \$3,400,000 to \$4,500,000. This section merely makes in order an appropriation for the increased cost of these vessels.

The battleship *Colorado* is a part of the 1916 building program and one of the ships under construction that the conference and treaty permitted to be completed. The contract was made in January, 1917, at an authorized cost of \$13,380,000. To speed up the construction during the war, in July, 1917, the original form of the contract as awarded was changed to that of a cost-plus 10 per cent contract. By various acts of Congress the authorized cost has been increased from \$13,380,000 to \$17,000,000. Up to February 1 there had been expended under the contract \$16,400,000, and at the present rate of progress the Navy Department advised the committee that the expenditure of \$17,000,000, the present limit of cost, will be reached in either April or May of this year. On January 1 the *Colorado* was 95 per cent completed, and it is the expectation of the department if granted this additional cost of construction to have the ship completed by September.

Now, the thought will naturally occur as to the reason for this increased cost of \$600,000. To quote the language of Assistant Secretary Roosevelt:

The reason why it is necessary to increase the limit of cost comes, roughly, under two heads: The principal head is the fact that it is being built under a cost-plus contract, and not under a fixed-sum contract. . . . Last year the fullest appropriations were not available to push all the vessels at top speed, and, furthermore, the shipyards themselves had very little work. We had to reduce the direct moneys spent for labor because we did not have them, and the indirect cost does not reduce proportionately; in other words, when you slow down a little on construction work your overhead does not come down proportionately with the slowing down of the work, the result being that the total expense on account of the vessel builds up or augments. The best illustration I can give of what I mean is this: We appeared before the Committee on Appropriations to discuss our desire for an increased appropriation to be used in constructing the scout cruisers, and we explained to them that if we only had the sum designated we would have to continue the work on those scout cruisers at one-third of the normal rate of progress, and on account of the reasons I have given you, if we should continue the work at one-third the normal rate of progress those scout cruisers will cost approximately \$1,000,000 more when completed.

Now, the reason why the cost of the *Colorado* has gone up this additional \$600,000 is in main due to the fact that we have had to slow down to a certain extent, and to the fact that there was no other work in the yard, added to the fact that it was a cost-plus contract. Those things have run the cost of the *Colorado* up, and the same thing generally applies to scout cruisers 9 and 10.

The construction is continuing under the terms of the cost-plus contract. However, there has been a change in between there from a cost-plus 10 per cent contract to a cost-plus fixed-fee contract. The cost-plus 10 per cent contract was changed in 1920 to cost plus a fixed fee, which was \$1,350,000. By the change from the cost-plus 10 per cent contract to the cost plus a fixed-fee contract there has been a saving of \$410,000.

The \$17,000,000, the now authorized cost, will be expended by April or May of this year, and the ship is 95 per cent completed. It would be folly on the part of Congress to withhold the additional appropriation of \$600,000 needed to complete the ship. We have now invested in the ship \$17,000,000, and if this authorization does not go through, work on the *Colorado* will cease and it will have to stand in status quo until Congress does supply the additional money to complete it.

Therefore, from a business standpoint there is but one thing to do, and that is to authorize the appropriation of the money to complete the ship. What is said with reference to the *Colorado* is equally true in regard to the scout cruisers and the destroyer tender.

Under the law as provided for in the acts of 1907 and 1916, the department is restricted in making changes or repairs to an expenditure of not over \$300,000.

Section 8 is for the purpose of removing that restriction in one particular only, and that is in the increasing of the elevation and range of the turret guns on 13 of the capital ships.

It is estimated that it will cost approximately \$500,000 to increase the range of the turret guns on each of the 13 ships, and this section is an authorization for an appropriation of \$6,500,000 for that work. The elevation of the turret guns is now 15° and it is proposed to raise the elevation to 30°.

The *Colorado* and *West Virginia* are still to be completed, and the *California*, *Tennessee*, and *Maryland* are now in service. Being new ships, there is no modernization required on them, but it is essential on the 13 other ships that this modernization be authorized. However, there are a great many things in addition to the elevation of the turret guns necessary to be done to modernize the ships to put them on an equality with the vessels of other nations that participated in the Washington conference.

It will be necessary later on to require additional deck protection against airplane bombs; they also require additional submarine protection in the form of blisters—that is, additional steel plates laid along the side below the water line with a certain air space between them and the hull of the vessels. They require that as a protection against torpedoes. Most of these things which I have enumerated have already been done on the British ships and are being done on the Japanese ships. They are entirely within the purview of the provisions of the treaty.

The changes with reference to the blisters for torpedo protection and the sheathing of the deck against aero bombs is not contemplated at this time, but later on these additions must be added to the ships to place them on an equal parity with the ships of Japan and Great Britain.

The department has not estimated the amount it will ultimately cost for this work. At this time it is of the utmost importance that our capital ships should be placed on an equality with other navies in the strength of individual ships with reference to elevation of the guns, which elevation does not contravene the terms of the treaty.

The increased elevation is not a change in the general type of mounting but merely a modification of existing mounts which will permit the elevation and range of 13 of our ships to be made similar to that which the 5 new ships now have, thereby increasing the fleet range from 22,000 yards to 32,000 yards.

It is incumbent upon us to devote our energy toward maintaining all of our vessels in the highest state of efficiency, and to do so it is imperative that the range of the entire fleet be increased.

If funds become available at this session of Congress, it is estimated that material for the first three vessels can be assembled by November of this year, that material for three other vessels will be assembled three months later, and that material for three other vessels will be assembled and ready for installation by November 1, 1924.

It is estimated that the work to be done on each vessel can be completed during the time allowed for its regular overhaul.

It is true, Mr. Chairman, that had we carried out the 1916 building program as laid down, we would have had 15 of the finest ships that ever could sail the sea; they would have been absolutely perfect in every detail; they would have been ships of the latest design and the latest improved methods and equaled by no ships in the world. But these ships by the Washington conference were ordered to be scrapped, and it is essential that we modernize the capital ships that we agreed to keep, though they had been in commission for a great many years, and endeavor to place them, ship for ship, as far as possible, on an equality with those of either Great Britain or Japan.

Four of our capital ships—the *Florida*, *Utah*, *Wyoming*, and *Arizona*—have 12-inch guns; 11 of our capital ships have 14-inch guns; 3 of the capital ships have 16-inch guns.

Five of the British ships have 13½-inch guns; 13 of the British ships have 15-inch guns. Four of the battle cruisers of Japan have 14-inch guns, 2 battleships have 16-inch guns, and 5 battleships have 14-inch guns.

For one, I feel that if Congress should fail to authorize this modernization of the ships which we have agreed to keep we would be derelict in our duty, for at all times the American Navy must be kept up to the highest point of efficiency, and it is of vital importance that they be kept on an equal footing with those of the nations that agreed to the limitation of armament.

Section 10 provides a new method of promotion, elimination, and retirement of officers of the Marine Corps. Both the Army and Navy have already by legislation adopted some system of eliminating the inefficient. In the Army it has been accomplished by classifying all officers in various grades and relegating them to the retired list on a graded rate of pay.



In the Navy promotion by selection has been in effect since August 29, 1916, this system being combined with an age and grade retirement. The Staff Corps of the Navy has had a system of promotion by selection since July 4, 1918. The Marine Corps still adheres to the system of examination adopted on July 28, 1892.

There are four qualifications for promotion—mental, moral, physical, and professional.

The examining board, in accordance with the law as it now stands, has two alternatives—one is to promote and the other is to dismiss.

The basis of the proposed section is to permit the examining board instead of two alternatives the third alternative of retiring officers in the grade they occupy when they come up for promotion and gives the board the right to simply pass the less efficient over.

The Marine Corps in presenting this section has taken three things under careful consideration. The first object of the bill is to promote the efficiency of the Marine Corps; the second thing is that the corps does not want to adopt an expensive system; they always keep in mind economy. The third, they did not want to adopt a system that would do injustice to an individual.

The less efficient officer, who fails of promotion, provided he has served over 10 years, will be kept in his grade until he reaches a certain age, at which time he will be retired.

An officer may successfully pass the examination, mentally, physically, and morally, but before he is entitled to promotion the board that examines him must certify that there is sufficient evidence that the officer is fully qualified professionally. In determining his professional qualifications his service record is taken into consideration; that is, the daily reports, the method by which he handles his troops, and his qualification for leadership, and so forth.

They have in the Marine Corps a large number of officers who have served as enlisted men. This proposed measure will equitably protect them. In other words, if they are unable to pass the examination they will not be kicked out; they will stay in their present grade and be placed on a retired list when they reach a certain age. These officers rendered valuable service to the country during the World War. When the war came on the commandant of the Marine Corps went over the list of noncommissioned officers who had served long and faithfully and gave them commissions. Many of them may not have had the advantage of education and might not be able to pass the examination, and if the law of 1892 is still adhered to there would be but two alternatives—either promote or dismiss—but under this proposed law if they could not pass the examination for advancement they will remain in their grade if they have served over 10 years.

Under the law to-day when an officer is found unfit professionally he has the right to appear before the examining board. Under this proposed section that right is denied him, for the reason that it is the intention of the Marine Corps to have a central board to conduct the examinations, and the central board will have before it the service record of the officer, which on its face will disclose his professional qualifications, but if the officer is found morally unfit he still has the right under the act of 1892 as well as this proposed law to appear before the board in person.

The retiring age is 50 years for lieutenant colonels, 45 years for majors, captains, and first and second lieutenants.

If an officer who has had less than 10 years' service fails to be promoted after he has had two examinations, he is honorably discharged from the service with one year's pay, but if the officer has had over 10 years' service and has been examined twice and each time failed to pass, he is not dismissed from the service but holds his present grade and is retired upon reaching a certain age, with 2½ per cent for each year of total active service, not to exceed 75 per cent.

There is another phase of this to which I desire to call your attention—that is, with regard to the heads of staff departments. The present law, with regard to the heads of the staff departments, requires that all appointments shall be made for a term of four years from the colonels of the department concerned. The number of permanent officers in these staff corps is rapidly decreasing. At the present time there are two colonels in the adjutant and inspector's department, two colonels in the examining department, and one colonel in the paymaster department. If a vacancy should occur in any of these departments, the President's opportunity for choice would be very limited. In the paymaster department he would have no alternative. He would have to appoint one man whether that man is qualified or not. Even though that officer be not quali-

fied, the President under the existing law would have to appoint him.

In the case of two colonels, it might be that neither was qualified, but the President would have to appoint one of them.

This proposed section authorizes a board of officers, consisting of the major general commandant of the Marine Corps, the heads of the three staff departments, and one other general officer, to establish an eligible list for the staff department. This board would make up a list of all officers holding permanent commissions in the different staff departments. If it happened that none of them was eligible, then it would make a list from the line officers or other staff officers of the Marine Corps, and from this eligible list the President would make his appointment.

Section 11 provides for the relief of contractors, subcontractors, and material men who have sustained losses by reason of some Government orders. At the outset I am cognizant of the fact that whenever legislation of this character has heretofore been brought before the House for consideration it has met with strenuous opposition.

There can be no doubt that a certain amount of prejudice has grown up in the House against legislation for the relief of any kind of contractors who sustained losses on account of Government orders or for any other reason during the war. In my opinion, a certain amount of that prejudice has been engendered due to the fact that heretofore we have delegated to various departments full settlement of the claims, but nowhere in this section has the Secretary of the Navy or anyone acting for him authority to settle any claims that might be filed in accordance with this section. Congress retains absolutely for itself full and complete jurisdiction over the claims.

Now let us briefly see what is provided for by this legislation for the relief of contractors. During the war, from April 6, 1917, to November 11, 1918, certain acts done and certain orders issued by various Government agencies caused losses to contractors, subcontractors, and material men in the performance of fixed-price contracts with the Navy Department that were entered into during said period or prior to the declaration of war for fulfillment after the date we entered the war. I want to emphasize and impress this fact upon you, that this section does not seek to legalize informal contracts. It only applies to contracts, legal in form, entered into by the Navy Department with the various contractors. Nor does the section authorize any appropriation whatsoever for the liquidation of any contract; it merely authorizes an investigation of the claim. Any contractor, subcontractor, or material man who in the performance of a fixed-price contract with the Navy Department sustained a loss, occasioned by certain orders and under certain conditions to which I will hereafter call your attention, is permitted by this section, provided the claimant meets with certain requirements, to have his claim investigated by the Secretary.

All that the Secretary can do is to make investigations in accordance with the various provisions of this section and make a report, through the Director of the Budget, of his proceedings and findings to Congress for appropriation on or before January 2, 1924.

The claim must be filed in writing and verified under oath within six months after the passage of this bill.

In determining the loss on any contract entered into prior to April 6, 1917, the Secretary can only investigate such part of the uncompleted contract as was affected by the interference of the Government or some Government agent.

If the claim is for alleged losses based on account of increase in wages, before the Secretary can consider it it must be established by proof to his satisfaction that the contractor complied with the orders issued by the Macy Board or other Government boards and actually paid his employees the award ordered by said board.

The Secretary is precluded from considering any claim on account of losses that will, taken together with the claimant's net profit on his entire volume of business on account of contracts with the Government during the period mentioned, make claimant's net profit exceed 6 per cent of such volume of business.

The Secretary can not consider any claim under which the prime contractor shall have given a full, final, qualified or unqualified release to the Government. He shall have the right to summon witnesses and examine them on oath and to examine the income-tax return of the claimant.

Therefore you can readily see that all necessary safeguard has been provided for the protection of the Government in considering these claims. The Secretary is given a right to waive the claim of the Government for liquidated damages whereby



the delays were occasioned by some governmental order or governmental agency.

This section is so drafted that the Secretary of the Navy is empowered to do nothing more than ascertain and report to Congress the facts bearing on the merits of the claim, and Congress is left free, without any obligation having been imposed on the Government, to decide for itself upon the merits of each and every case presented and determine whether any reimbursement should be made to the claimants; and if so, how much in every case.

In view of the limitations placed in this bill, there are but few claims that can be considered, for no contractor who has given a qualified receipt to the Government can have his claim considered.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of the Navy is hereby authorized to transfer to the Treasury Department, for the use of the Coast Guard, such vessel or vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard.

With the following committee amendment:

Page 1, line 2, after the word "Navy," insert the words "not exceeding three in number."

Mr. ANDREW of Massachusetts. Mr. Chairman, I want to say a word as to the committee amendment. This first section of the bill has not only the indorsement of but is asked for by the Treasury and Navy Departments. It happens that the Navy has 50 or 60 mine layers and mine sweepers the majority of which are not in actual commission. On the other hand, the Coast Guard has need each year, on an average, of about one additional vessel to replace those which are wearing out. They have at the present time some 26 vessels that can go to sea. The request was made for authority to allow the Navy to transfer to the Coast Guard from time to time such vessels as might be available for which they might have need. The Coast Guard has appropriation, however, only sufficient to utilize not more than one additional vessel, and rather than provide, on the one hand, an indefinite authority which might continue it years in the future without returning to Congress for authority, and in order, on the other hand, to avoid the necessity of obliging them to come immediately to Congress in case a particular vessel was destroyed, or an additional vessel was needed in an emergency, the arrangement was made to restrict the number of vessels which can be transferred from the Navy to the Coast Guard to a number not exceeding three, which under all conditions would provide all the Coast Guard may need for the next three years.

Mr. NEWTON of Minnesota. Mr. Chairman, I rise in opposition to the committee amendment, for the purpose of inquiring of the chairman of the committee whether the Coast Guard made any specific request of the Navy for any certain number of vessels.

Mr. BUTLER. The Coast Guard is very desirous of having transferred to its service a boat called the *Red Wing*. We do not know anything about her except that she is 1 of 60 boats now tied up, many of them rusting and rotting. It will cost the Coast Guard from \$500,000 to \$700,000 to build the kind of boat they want, and the Coast Guard wants this particular *Red Wing* and perhaps one or two more of the same kind. The Coast Guard needs a boat or two which will cost from \$500,000 to \$700,000 to build, and this will cost them nothing except a trifle under \$20,000 to put in repair. It was thought that we were making good use of Government property in authorizing the transfer. We had some discussion in respect to the number. The bill came to us from the Senate without limitation as to number, and some of us thought that we better limit it to three boats, and therefore we limited it to three boats.

Mr. NEWTON of Minnesota. I do not understand that the Coast Guard asked unlimited authority.

Mr. BUTLER. Oh, no; the Coast Guard was satisfied with one boat.

Mr. NEWTON of Minnesota. It is my understanding from consultation with members of either the Coast Guard or the Navy some two years ago that the Coast Guard could make very efficient use of some of the mine-sweeping vessels that are not being used by the Navy.

Mr. BUTLER. That is it exactly, and this is one of them.

Mr. NEWTON of Minnesota. If that is the case and the vessels are not in use by the Navy, why should they not be turned over to the Coast Guard?

Mr. ANDREW of Massachusetts. We have given them two more than they have asked for. They want only one at the present time; they have appropriation for only one, and could make use of one, and we have given them three, which in the ordinary course of time will make for two additional replacements in the coming years.

Mr. HICKS. The reason we limited it to three vessels is so the Committee on Naval Affairs and the Congress will have a check upon the vessels being transferred out of the Navy Department.

Mr. NEWTON of Minnesota. But the Coast Guard could take care of these vessels every bit as well as the Navy.

Mr. ANDREW of Massachusetts. We desire to be liberal with the Coast Guard and gave them three instead of the one they asked for.

Mr. NEWTON of Minnesota. That is what I wanted to inquire about. I stand with my friend from Pennsylvania [Mr. BUTLER] in his regard for the Coast Guard.

Mr. BUTLER. Oh, our affection for it is very strong.

Mr. NEWTON of Minnesota. And if they had requested more than three I should want to see them get them.

Mr. ANDREW of Massachusetts. They asked for only one, and we gave them three.

Mr. HICKS. I agree with what the gentleman says in regard to our admiration for the Coast Guard. One reason why the Coast Guard can not use more than the number we have given is because their appropriations will not permit of it.

Mr. BRIGGS. They were thoroughly satisfied with the allotment made in the bill.

Mr. HICKS. Oh, certainly.

Mr. BUTLER. The Coast Guard is thoroughly satisfied. The Coast Guard comes to us knowing that the latchstring is always out, because we think very much of the Coast Guard.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BUTLER. Mr. Chairman, I move to strike out the last word. Some of us did not know the uses to which these boats were to be put, and, therefore, as the gentleman can well imagine some questions were asked and that information was elicited.

Mr. CHINDBLOM. Will the Navy turn over these ships or a single ship in a navigable condition?

Mr. BUTLER. Oh, yes. It will require perhaps some \$15,000 to \$20,000 to put the ship in perfect condition for the Coast Guard's use. These are mine sweepers and they will have to be refitted to a certain extent. Otherwise the boats are in fine condition.

Mr. CHINDBLOM. And that will be done by the Navy?

Mr. BUTLER. That will be done. They have the appropriation and do not want any money.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the second committee amendment by section.

The Clerk read as follows:

#### NAVAL RESERVE.

SEC. 2. That all men transferred from the regular Navy to the Fleet Naval Reserve, who have heretofore reenlisted or may hereafter reenlist in the Navy, shall, from the date of reenlistment, be credited with pay at the same rate, exclusive of retainer pay, that they were receiving when on active duty in the Navy as members of the Fleet Naval Reserve prior to date of reenlistment in the Navy, and shall be required to serve under their reenlistment only such time as added to the time served in the enlistment in which serving when transferred to the Fleet Naval Reserve and the time of active service in the Navy while members of the Fleet Naval Reserve shall equal four years, when they shall be entitled to be discharged by reason of expiration of enlistment.

That any enlisted man of the Navy or Marine Corps who has been discharged to enable him to be enrolled in the Naval Reserve Force or Marine Corps Reserve as a commissioned or warrant officer, and who has heretofore reenlisted in the Navy or who may hereafter reenlist in the Navy within four months from the date of termination of his service as an officer in the Naval Reserve Force or Marine Corps Reserve, shall be restored to the grade, rank, or rating held by him at time of discharge from the Navy to permit enrollment in the Naval Reserve Force or Marine Corps Reserve, and he shall be entitled from the date he has heretofore so reenlisted, or may hereafter reenlist, to the same rate of pay, including subsequent increases therein, as he was receiving at time of discharge from the Navy to permit enrollment in the Naval Reserve Force, and shall be required to serve under such reenlistment only for such time as, added to the unexpired portion of the enlistment from which discharged and his active service in



the Naval Reserve Force, shall equal four years, when he shall be entitled to be discharged by reason of expiration of enlistment.

That any member of the Fleet Naval Reserve, transferred thereto after 16 or 20 years' service in the Navy, who has heretofore been discharged therefrom to accept temporary appointment as an officer in the Regular Navy shall, upon the revocation of temporary appointment as an officer, be deemed to have reverted to his former status in the Fleet Naval Reserve, and shall be entitled to retain pay at the same rate he was receiving prior to discharge from the Fleet Naval Reserve from the date he is herein deemed to have reverted to his former status therein: *Provided*, That reenlistment in the Navy following revocation of temporary appointment as an officer shall not deprive him of the benefits of this section and he shall be entitled to receive the pay, including retainer pay, authorized for members of the Fleet Naval Reserve when on active duty during the period served under enlistment.

That enlisted men of the Navy who were discharged at expiration of enlistment and had completed 16 or 20 years' service at time of discharge, and were thereafter enrolled in the Naval Reserve Force and assigned provisional rank as warrant or commissioned officers, shall be deemed to have been transferred to the Fleet Naval Reserve on date of discharge from the Navy, and then to have been transferred to the class of the Naval Reserve Force in which they were given provisional assignment as warrant or commissioned officers: *Provided*, That they shall be entitled to receive the same pay, allowances, and other benefits from and after the date said transfer to the Fleet Naval Reserve is herein deemed to have been made as is provided by law for men transferred to the Fleet Naval Reserve.

That any enlisted man who was discharged from the Navy to enable him to be enrolled in the Naval Reserve Force in a commissioned rank, who was thereafter at his own request reduced to the same rating in the Naval Reserve Force as held by him at the time of his discharge from the Navy, and transferred to the regular Navy to serve the unexpired portion of his enrollment, in accordance with the act approved July 11, 1919, shall be entitled, from the date he was so transferred and so long as he shall continue in the naval service, to the same rate of pay and other benefits that would have been received by him if he had not been discharged from the Navy to permit enrollment in the Naval Reserve Force.

Mr. BUTLER. Mr. Chairman, I desire to offer one or two amendments to these paragraphs. I move to amend, on page 2, line 9, by striking out the words "or may hereafter reenlist."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 2, line 9, after the word "enlisted," strike out the words "or may hereafter reenlist."

Mr. BUTLER. Mr. Chairman, I presume the reading of these sections conveys very little, if anything, to the membership as to what they really are. We have wrestled with the matter day after day and hour after hour. We have gone over the matter and all we can do is to depend upon the men in whom we have great confidence, tell them what we want done, and have them write the provision. These five paragraphs read to you, forming section 2, have one object and one only, and that is to restore the enlisted force of the Navy to the place that the enlisted force had when it was transferred at different periods during the war. Some of these enlisted men who have been for 16 or 20 years in the service were taken and given temporary rank elsewhere, and Congress provided within a few months after the expiration of the war that they should lose their temporary rank and go back to the grades they once held.

Mr. McKENZIE. Will the gentleman yield?

Mr. BUTLER. The result has been—in one minute I will yield—that many of these men have lost all the advantage they have had under the law in what is known as longevity pay. That is practically all there is in these five paragraphs—it puts them back where they were. They have been checked against, some of these poor fellows, for two years, or since the decision of 1919 and 1921, and it is almost impossible for some of them to get a living out of it. The bill was introduced three years ago. We wrote the legislation two years ago and it remained unpassed up to this hour. This House did its duty, in my judgment, and passed with considerable promptness the legislation almost one year ago, and we ask that the committee put these sections in this bill so that in the event the bill becomes a law these enlisted men may have proper care taken of them.

Mr. HICKS. If the chairman will yield one moment to me—

Mr. BUTLER. Yes.

Mr. HICKS. I think probably it will help the committee if he will make the statement that these provisions he is now referring to passed this Committee of the Whole House on the state of the Union almost a year ago, and we are now relishing the same thing.

Mr. BUTLER. Yes; it is the third time I have endeavored to explain them. Three times have I spoken in ignorance. We had the assistance of eight men in whom we had the greatest confidence—experts—and among them the gentleman who sits here by me. There is no better in the United States than John Pugh in reference to these matters of legislation. It must be written just so it will get by, to use the ordinary expression, the Comptroller General, and therefore they have to be written in sentences which to me have no verbs in them and no subject, but they do mean something, and they mean

exactly what they are intended to mean. Now, in reference to anybody asking a question, I propose to go very slowly, because I do not know whether I shall speak truthfully if I do; but you passed this twice before unanimously and agreed it was right, and we all agreed that we should take care of these men. This Navy ran up from a few hundred thousand to five or six hundred thousand. We did not have the officers. We went down to these warrant officers, in whom I have taken great interest all my life. It was hoped that they may reach the warrant grades, but they were advanced to take places on small boats and sent out, and when they returned to their places they found the chairs were there to sit in but the table was empty.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. I would like to have two or three minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. McKENZIE. Will the gentleman yield?

Mr. BUTLER. I will.

Mr. McKENZIE. I just wish to suggest to my good friend from Pennsylvania that if he will explain to the members of this committee the distinction or difference between the Naval Reserve Force and what we call the Naval Reserve officer, we might have a chance to understand some of the provisions of this bill.

Mr. BUTLER. My good friend, I do not know anything about the laws of the Medes and Persians, but I will endeavor to tell you. There are six of these classes. We know under certain conditions where men are transferred in the regular service. They were in those classes when the war broke out. We took them from the particular classes and put them in the regular service, and then we promoted them to be officers, first and second lieutenants, as the gentleman understands it, in the Army; and then when the war was over we asked them to step back to the places provided for them, and they went back and they found they had lost their longevity, and we endeavored to cover them by these paragraphs. This first paragraph covers 150 men; the second paragraph covers 200 men; and the third, fourth, and fifth—well, the fourth two cases and the fifth one case, and it is necessary to have all this writing in order to provide for these enlisted men.

Mr. McKENZIE. Will the gentleman yield for another question?

Mr. BUTLER. Yes; if I can be as successful as I was in answering the other.

Mr. McKENZIE. I wish to ask the gentleman from Pennsylvania if it is not a fact that a man who has served in the Navy for three or four or five or six years and goes out of the Navy he may join the Naval Reserve Force?

Mr. BUTLER. Yes.

Mr. McKENZIE. Either as an enlisted man or as an officer in the naval force; he could go into the Naval Reserve, but he must have either 16 years or 20 years—

Mr. BUTLER. Yes.

Mr. McKENZIE. If he has had 16 years he will be retired on one-third pay, and if he had 20 years he is retired under this reserve on half pay.

Mr. BUTLER. That is right.

Mr. STEPHENS. The real distinction is that in the Naval Reserve they are not retired and in the Fleet Naval Reserve they are all retired.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent for one minute more.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may have five minutes more. I want to ask the gentleman a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BUTLER. If these men have served 16 years they are entitled, as my friend says, to go into the Naval Reserve. They are men on the seacoast, and under the law of 1916 they are permitted to go into the Fleet Reserve. If they have served 16 years they are entitled to a certain portion of that pay. They have gone back into civil life; yes, but with a rope on. In one hour you can bring those men back and put them on the ships. They are old men, but they are of long experience, so valuable that it can not be computed. If they served 20 years they will get one-half of the pay they were receiving, and under immediate call they must come back in the same class.

In the Naval Reserve it is different. Some of these men get but \$1 a month. Perhaps that has been repealed. But the only class of those reserves that draw substantial sums of money



are those old fellows who have served 16 years. These are the men to whom you go while they are in civil life and ask them to come back into the Navy. They come back into the regular service as enlisted men, as before, and then they find themselves without any place. In many instances they have been held to have been men of first enlistment only. That is not fair.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield? Mr. BUTLER. Yes.

Mr. CHINDBLOM. I presume the gentleman is familiar with the decision by the Comptroller General of the United States, given under date of August 7, 1922, in reference to the retainer pay of members of the Navy transferred to the Fleet Naval Reserve prior to July 1, 1922?

Mr. BUTLER. I will be pleased if my friend will tell me what it means.

Mr. CHINDBLOM. The gentleman from Illinois [Mr. McKENZIE] is more familiar than any of us with the pay bill, the act of June 10, 1922. In that act it was sought to provide that the members of the Navy who had been transferred to the Fleet Naval Reserve should be entitled to the pay now being received, as was the language of the act. Does this bill do anything to cure the effect of the decision of the Comptroller General of August 7, 1922, when he held that that did not mean what it said, but meant something different?

Mr. BUTLER. He said it meant something different, and we propose to make it right; we propose that the compensation they should receive is the compensation they were entitled to when they went into the other service.

Mr. CHINDBLOM. The pay being received is the pay Congress intended them to receive at the time the act went into effect?

Mr. McKENZIE. I will say this: That the joint committee on the service pay bill felt that we did not have jurisdiction to change the law affecting the Fleet Naval Reserve. Therefore we simply enacted the pay bill without undertaking in any way to revise the law on the Fleet Naval Reserve. But it does not follow that I do not feel that the law ought to be revised, but we can not do it in this bill.

Mr. CHINDBLOM. Did not that act of June 10, 1922, provide that these transferred members of the Navy to the Fleet Naval Reserve should receive the pay now being received by them?

Mr. McKENZIE. It was not intended to disturb them in any way.

Mr. CHINDBLOM. Then can the gentleman from Pennsylvania [Mr. BUTLER] tell me whether that situation is reached by this amendment?

Mr. BUTLER. It was the decision of the comptroller to which the gentleman refers that added a great deal of confusion here. The very question the gentleman asked me we have asked of the people who wrote this measure and the men who have criticized it, and the men who have offered it have made some amendments in it that will cover the case to which the gentleman refers.

Furthermore, we are assured by the officers of the Navy, who are so anxious to have this done for the men—and they are always kind and good to the men—that if these five paragraphs are passed as they are, it will restore everything to these men that they had when they were transferred to different branches of the service. That is all they ask. And furthermore, it was provided in this bill, in the preparation of which our friend from Illinois [Mr. McKENZIE] had an important part, that the pay of these people should not be reduced, and therefore it was held by the comptroller in the decision that a conflict had occurred between the pay bill and the act of Congress, and therefore they were not entitled to the pay. I repeat, if you pass these five paragraphs I believe it will remedy the situation.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. BUTLER. I have another amendment to offer.

Mr. FIELDS. Mr. Chairman, I move to strike out the amendment.

Mr. BUTLER. I want to offer another amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. FIELDS] is recognized in opposition to the amendment.

Mr. FIELDS. Mr. Chairman, I gather from a hurried reading of the section and from the committee report that these men to whom the section refers, because of the ruling of the Comptroller of the Treasury, have lost the benefits accruing to them by reason of their long service, on account of having accepted positions during the war in which they rendered more valuable service to the Government for the period of the war than they would have rendered in the places that they occupied prior to the war and at the beginning of the war.

Mr. BUTLER. You are right.

Mr. FIELDS. If I am not right in my construction, I would be glad to be corrected.

The Navy was built up very rapidly to meet the military needs of the country. Necessarily the department was forced to turn in every direction, to exhaust every available resource to find men of experience and training to fill the places of greater responsibility. Here were men who had rendered many years of service in their respective grades or ranks, and because of the experience gained during these years of service they were able to render more valuable service in more advanced positions than in the positions they were then filling. I imagine they would have been regarded as unpatriotic had they failed to respond to the calls of the Government to assume greater responsibilities for which their long service had fitted them. But by doing that and by a subsequent ruling of the Comptroller of the Treasury they are now deprived of the benefits earned by them by reason of their long service. That is a most unfortunate situation in which to place them. It would be most unfair for the Congress to refuse or fail to correct that condition.

I have observed, Mr. Chairman, that it is not difficult for the man away up on the high rungs of the ladder to have disabilities removed or inequities corrected that are detrimental to him, but it sometimes happens, and too often, I fear, in the rush of legislative matters, that the man down at the bottom or, to use the phrase common in the English language, "the under dog" is forgotten. This is a provision which undertakes to restore the rights of the under man, and I congratulate the chairman of the Naval Committee and his committee on bringing this matter before the House in an effort to correct this injustice to these patriotic men who rendered valuable service before the war and more valuable service during the war by accepting these advanced positions which separated them from their former positions, from which they are to-day separated. The bill ought to be enacted.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. Chairman, I desire to offer another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. BUTLER: Page 2, line 10, after the word "pay," insert the following: "including subsequent increases therein."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. BUTLER: Page 2, line 13, after the word "Navy," change the comma to a period and strike out the language beginning with the word "and" down to and including line 19.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. BUTLER: Page 2, lines 24 and 25, strike out the words "or who may hereafter reenlist in the Navy."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. BUTLER: Page 3, line 9, after the word "force," change the comma to a period and strike out the language beginning with the word "and" down to and including line 14.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. BUTLER: Page 4, line 9, after the word "force," insert the following: "Within four months from date of discharge from the Navy."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HULL. I should like to ask the chairman of the committee in regard to the provision at the bottom of page 3:

*Provided, That reenlistment in the Navy following revocation of temporary appointment as an officer shall not deprive him of the benefits of this section, and he shall be entitled to receive the pay, including retainer pay, authorized for members of the Fleet Naval Reserve when on active duty during the period served under enlistment.*

Does not that mean that he will receive double pay?

Mr. BUTLER. No; it does not. The gentleman ought to know that I would not be in favor of anything like that. Will the gentleman please give me the page and line?

Mr. HULL. At the bottom of page 3, the provision beginning in line 25.

Mr. BUTLER. It says:

*Provided, That reenlistment in the Navy following revocation of temporary appointment as an officer shall not deprive him—*

That is, where he goes back and reenlists—

shall not deprive him of the benefits of this section, and he shall be entitled to receive the pay, including retainer pay, authorized for members of the Fleet Naval Reserve when on active duty during the period served under enlistment.

I do not believe the language is absolutely necessary, because I think he would get it anyhow, but it was written in there so as to make sure he would be entitled to the provisions of the act.

Mr. HULL. Would the gentleman object to striking out that language? I think it means double pay.

Mr. BUTLER. I hope the gentleman will not ask to have it stricken out. It does not in any way increase the pay of the men. I would have to go and consult the authorities and sit down and reflect for some time before I would consent to have the language stricken out of the bill, language which I have been assured is absolutely necessary so that they may pass the comptroller the next time.

Mr. HULL. I am perfectly honest about this; I think it means that you will pay them twice.

Mr. BUTLER. Now, then, this bill some time or other will go to conference. It may be this year and it may be next year, and it may not be before the gentleman and I are dead, but if it goes to conference while I am alive and one of the conferees I will not forget the question which the gentleman has put to me; and if it does do what the gentleman says, I will ask the conferees to take it out.

Mr. KELLEY of Michigan. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. KELLEY of Michigan. I take it that this proviso is needed to take care of men in the Fleet Naval Reserve who are appointed temporary officers, and when the revocation of the appointments come they go back into the Naval Reserve. If they serve as officers, they ought not to be deprived of the benefit of this section.

Mr. HULL. I am sure it goes a good deal further than that.

Mr. KELLEY of Michigan. I think not; it simply puts the temporary officer before he goes back to the fleet naval service in the same position as the others.

Mr. HICKS. I believe there are about 20 men affected by this provision.

Mr. HULL. I understand that there are only two or three; but, anyhow, they ought not to receive double pay.

Mr. HICKS. They are not going to get double pay.

Mr. CHINDBLOM. Will the gentleman allow me to make a statement? I want to call attention to the words in line 4, page 4, "when on active duty during the period served under enlistment." As I understand that, it means members of the Fleet Naval Reserve.

Mr. BRITTEN. During the time of their reenlistment.

Mr. CHINDBLOM. After their reenlistment.

Mr. HULL. Mr. Chairman, I ask to proceed for two minutes.

The CHAIRMAN. The gentleman from Iowa asks to proceed for two minutes. Is there objection?

There was no objection.

Mr. HULL. I am not going to move to strike it out, but I do want to call attention of the chairman of the committee to the fact that, in my opinion, that language will mean double pay. I know the committee does not want to provide for double pay, but on the assurance of the gentleman from Pennsylvania that in the future some time he will analyze the language and see that it is corrected if it does provide for double pay I will let the matter go as it is. But I am pretty sure I am right.

The CHAIRMAN. The pro forma amendment is withdrawn.

Mr. BLANTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: On page 5, line 4, before the words "the same," insert the word "meaning," and after the word "same," insert the words "thing, though different," so that the amendment will read "meaning the same thing, though different."

Mr. BLANTON. Mr. Chairman, sometimes things apparently different mean the same thing. The distinguished gentleman from Ohio, my colleague, Mr. STEPHENS, and myself apparently were at a divergence of opinion and yet both of our positions meant the same thing.

This amendment we are now considering follows the first eight lines of the bill. All that is left of the Senate bill are those eight lines. This one is the first section of the House amendment and runs from the top of page 2 to the middle of page 5, and yet it is a part of one amendment. I took the position that no man in this House would be able to change this bill by amendment—that is, no Member not on this committee. My good friend from Ohio [Mr. STEPHENS] took issue and said that the rule permitted amendments. So it does, but the other rules of the House will preclude us fellows from amending it. He was right as to the specific language of the rule. Under the rules of the House the chairman has charge of the debate under the five-minute rule. The only amendment that can be offered to each part of the committee amendment must be germane to that part of the amendment. It must not change the purpose of the committee. It must not change the purpose of that committee amendment. It must be germane to the bill and to that part of the amendment.

My good friend from Pennsylvania, while he will permit me to offer a pro forma amendment to explain my position, if I offer a substantial amendment or attempt to do it, as a good chairman of the committee, if he knew I was going to do that, he would get up and after he had spoken five minutes—and he is entitled to recognition first and offers an amendment and speaks to it—another member of the committee then speaks to it. There has been 10 minutes debate on it and he gets up and exercises the right under the rules of the House to move to close debate.

Who can stop it? Nobody. He would summon to his help the membership of the 170 Republican majority and could pass everything over.

Mr. HICKS. Will the gentleman yield? I know he wants to be fair.

Mr. BLANTON. While the gentleman from Ohio and I were at apparent divergence, yet we both meant practically the same thing.

Mr. HICKS. As a matter of fact, the rule of germaneness pertains to all amendments offered to any bill.

Mr. BLANTON. Yes; but I want to tell the gentleman something. A lot of propositions are put into this bill that are absolutely unrelated to each other. There is no continuity between them. It is just a bunch of bills put into an omnibus bill, and they are read by sections, though all are parts of one committee amendment. We take them up seriatim. The chairman is in charge of the whole matter, and we have no chance on earth to change it. There are three different sections to this bill in direct disaccord with the rules of the House, and I could have stopped consideration of the bill under ordinary circumstances by reason of that fact, but because of the rule that we adopted they are made in order and we have to accept them and consider them. The gentleman from Pennsylvania [Mr. BUTLER], always honest and frank, said: "Yes; but this was the only way to pass this bill." He admitted that it is a very stringent rule, that it cuts us down pretty tight, but said that they were going to force it down just this one time because they want to get the bill passed. That is about the substance of what he said. I do not blame him a bit if he wants it passed in that way, but I do not believe in passing legislation in that way. I want to see every man in the House stand on an equal footing, with a right to be heard, with a right to place the stamp of his personal approval or disapproval upon any measure, and the right to stand up when he does not think it right and to tell you why. You can not do that under the rule, because I am sure that if we attempted to do anything of that kind my good friend would move to close debate.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BEGG. Mr. Chairman, I move to strike out the last word. The gentleman from Texas [Mr. BLANTON] frequently makes extravagant statements, but I think I have never known him to be so absolutely wrong as he is about this rule. In the first place, the first part of the rule simply makes in order the consideration of this bill under the regular rules of the House. The necessity for the second paragraph, that it shall be in



order to consider without the intervention of a point of order under clause 7 of Rule XVI, and so forth, as in the original bill, is to protect the House from the individual Member, like my good friend from Texas, who always takes advantage whenever he can and objects to a matter on a point of order, because it is not in order, because it is not germane to the whole bill. If gentlemen will read section 7 of Rule XVI they will find that that is exactly what it does:

A motion to strike out and insert is indivisible, but a motion to strike out being lost shall neither preclude amendment nor motion to strike out and insert; and no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

All this rule does is to preclude the individual from making a point of order to committee amendments because they are not germane to the main title of the bill.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. DENISON. Of course, that part of the rule has been stricken out.

Mr. BEGG. I understand, but that is the only purpose of this part of the rule.

Mr. ABERNETHY. Mr. Chairman, I make the point of order that this entire discussion is out of order.

The CHAIRMAN. The point of order is sustained; and the gentlemen will proceed in order.

Mr. BEGG. I have said all that I want to say upon the subject.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. BLANTON. Mr. Chairman, the amendment that I offered is but a pro forma amendment, and I ask unanimous consent to withdraw it.

The CHAIRMAN. Without objection, it will be so ordered, and the Clerk will read.

The Clerk read as follows:

#### CHARGE OF DESERTION.

SEC. 3. That in all cases where it shall be made to appear to the satisfaction of the President that a commissioned or warrant officer or an enlisted man with the charge of desertion now standing against him on the rolls and records of the Navy or Marine Corps has since such charge was entered served honorably in the war with the German Government, either in the military or naval forces of the Allies or in the Army, Navy, or Marine Corps, or in other branches of the military service of the United States prior to November 11, 1918, the President is hereby authorized, in his discretion, to cause an entry to be made on said rolls and records of the Navy or Marine Corps, relieving said officer or enlisted man of all the disabilities which he had heretofore or would hereafter suffer by virtue of said charge of desertion thus appearing against him; and upon such action being taken by the President such officer or enlisted man shall be regarded as having been honorably discharged on the date the charge of desertion was entered against him: *Provided*, That nothing contained in this section shall operate to entitle any officer or enlisted man to back pay or allowances of any kind.

Mr. McPHERSON rose.

Mr. FIELDS. Mr. Chairman, I offer the amendment which I send to the desk.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

Mr. HICKS. Mr. Chairman, I make the point of order that Mr. McPHERSON is a member of the Committee on Naval Affairs and is entitled to recognition.

The CHAIRMAN. The Chair overrules the point of order. It is a matter of recognition in the hands of the presiding officer.

Mr. BUTLER. Mr. Chairman, I want to be entirely civil to the Chair, but will the Chair permit me to make an inquiry?

The CHAIRMAN. Does the gentleman from Kentucky yield for that purpose?

Mr. BUTLER. Oh, I did not know that the gentleman from Kentucky has been recognized.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr. FIELDS: Page 5, line 13, after the word "Corps" insert "or any officer or enlisted man of the Army of the United States with the charge of desertion standing against him on the rolls and records of the Army."

Mr. CRAGO. Mr. Chairman, I desire to move to strike out the paragraph at the proper time.

The CHAIRMAN. The amendment of the gentleman from Kentucky is a perfecting amendment and takes precedence of that motion.

Mr. VINSON. Why could not the gentleman just insert the word "Army"?

Mr. FIELDS. Mr. Chairman, this refers only to those with the charge of desertion standing against them on the records and rolls of the Navy or the Marine Corps and, therefore, I must get my amendment in the form in which it is in order to complete it. Mr. Chairman, without referring to the merits of the section as drawn, I believe every Member of the House

will agree with me that if we are to remove the disabilities of the men who are charged with desertion upon the records and rolls of the Navy and the Marine Corps, who later rendered service in the World War, the same section should likewise apply to men against whom the charge of desertion stands on the records and rolls of the Army and who afterwards served in the World War. If my amendment should be rejected the House would be making fish of one and fowl of the other. If my amendment should be rejected, the House would be taking the position that the men who deserted from the Navy are better than those who deserted from the Army, or that the men who deserted from the Army should not be entitled to the same privileges given to the men who deserted from the Navy.

I realize that the Committee on Military Affairs, of which I am a member, is surrendering some of its jurisdiction by one of its members offering this amendment from the floor, but there is no jealousy with me in respect to the jurisdiction of my committee when justice to human beings is involved. I would rather surrender the jurisdiction of my committee to report this bill to the House than have a provision carried in the bill discriminating against the men who were charged with desertion from the Army in favor of men who are charged with desertion from the Navy.

They should all be treated alike. If we are to extend relief to the man who is charged with desertion from the Navy and who afterwards served in the World War, there is no reason why the same relief should not be extended to the man who was charged with desertion in the Army and who likewise served in the World War. In other words they should all be put on the same footing, and we should not make fish of one and fowl of the other, and I therefore hope my amendment will prevail.

Mr. DREWRY. Will the gentleman yield?

Mr. FIELDS. I will.

Mr. DREWRY. Will not the gentleman accomplish his purpose if he puts the word "Army" in front of the words "Navy or Marine Corps"? Would not putting that in two places accomplish the same thing?

Mr. FIELDS. No; because further down we have a provision here which says, "against whose record the charge of desertion stands on the rolls of the Navy or Marine Corps."

Mr. DREWRY. The gentleman could make two amendments by using the word "Army."

Mr. FIELDS. The way I have offered it will clarify it so there will be no question about it.

Mr. McPHERSON. Mr. Chairman, as far as I know no member of the Naval Committee has any objection to including the Army in this provision of the bill, and I do not believe that any serious objection can be lodged against the bill either with or without the amendment. Both in the Army and Navy mere absence for a given length of time is denoted desertion. It may or may not be, and we are all familiar with the fact that under the present law there is no way by which the charge of desertion against a soldier can be removed and he be relieved of disabilities that he incurs thereby save by act of Congress. Now, we have had in the Navy, and I have no doubt many in the Army, prior to our entering the war with Germany men who deserted from the Navy and enlisted in the Army of the Allies—in the Canadian Army, in the English Army, and perhaps in the French Army. These men have rendered good service and they were honorably discharged, and instead of keeping the cumbrous method of relieving men of charges of desertion we in this bill determine that it is wise and better to leave it to the President of the United States, who, having each individual case before him, can determine the question. Men in the Spanish-American War deserted from the Navy, and in 1914 or 1915 and 1916 they enlisted in our own Army thereafter or in the English Army or in the French Army or the army of the Allies and rendered honorable service, and instead of having the cumbrous method of having to come to Congress and secure the passage of a special act, we leave it to the President of the United States, through the officers he would employ, to determine on each particular case whether or not it was a fact that that man had rendered honorable service which should entitle him to have this charge of desertion removed. How many cases do you believe Congress has passed special acts to rectify such cases since the Civil War, since the Spanish-American War? I remember one case which merely illustrates the cumbrous method now of employing the Congress to pass a special bill to remove this charge of desertion. I remember a boy during the Civil War who ran away from home over in Ohio and enlisted on one of the ships of war operating on the Mississippi River. He was 13 years old. His mother heard about him, got a letter from the Governor of Ohio, she went down and hunted up the ship around about Memphis somewhere, and took the small fellow by the hand and led him away back home.



He is now a man of about 70 years of age. He was charged with desertion, as he had to be, and the only method of removing that charge was by act of Congress. Under this law which we are endeavoring to pass now we will authorize the President upon hearing the facts in that case to remove the charge of such a case as that old man and give him the benefit of his service and the place he had won for himself. Now, a man makes a mistake. He deserts from the Navy or deserts from the Army in 1914, answering the appeal to get into the army of the Allies and fight the cause in which America afterwards engaged with her heart and soul, and he has a charge of desertion back of him.

We thought and we believe that the President of the United States ought to be able to rectify that matter, that that man ought not to be compelled to come to the Congress and submit to the cumbersome method that now exists for that purpose. He can try each individual case. It is not a law of amity. It is not a law that wipes out all such cases and restores to an honorable status all men charged with desertion, but it leaves it to the President to consider each one by itself and award relief in the case that appeals to his conscience and judgment as being meritorious.

Mr. MILLER. If the gentleman will permit, I understand the Navy Department records show that one night there were some 35 deserted from the Brooklyn Navy Yard and went over to Canada and enlisted.

Mr. McPHERSON. Hundreds of men left our Navy, and we have many hundreds more, perhaps, who deserted to the United States Army.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. McPHERSON. Not feloniously, but they deserted because of the causes that were at stake and involved in this war, and which appealed to them to take part in the conflict.

Mr. JOHNSON of Mississippi. Is it proposed to establish a board whose duty it is to pass upon these cases?

Mr. McPHERSON. We leave it to the President to use such means as he might see fit to employ.

Mr. JOHNSON of Mississippi. Is not the gentleman fearful that if you leave it to the President, who has more duties now, with these duties that have been put upon him by the Congress, than he can attend to—is not the gentleman fearful that he would refer it to the military authorities, and we would be longer about getting the stain removed from these soldiers than we would by an act of Congress?

Mr. McPHERSON. The committee has not anticipated that the President would do this personally, and we felt perfectly safe in trusting to his judgment and wisdom in selecting the proper forum or board or body that would determine the merits of these cases.

Mr. MILLER. That is, in the face of the view of the Congress, of the congressional sentiment?

Mr. McPHERSON. Yes.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. McPHERSON. Yes.

Mr. McKENZIE. If we pass this law, what distinction is there between the soldier boy or the boy who serves in the Navy faithfully and well, remembering his country and serving his time out—what distinction is there between that kind of a boy and a boy who deserted the colors, perhaps, in the face of the enemy?

Mr. McPHERSON. We think there is this difference between those men: The President of the United States would not remove the charge of desertion against the young man in the case you propose.

Mr. McKENZIE. But if the Congress of the United States enacts this section of this law, the Congress of the United States, so far as Congress is concerned, is taking the position that a deserter is entitled to as much consideration at the hands of this Congress as the boy who fought through to the finish.

Mr. McPHERSON. Not at all.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. FIELDS. Mr. Chairman, I ask unanimous consent to modify my amendment.

Mr. CRAGO rose.

The CHAIRMAN. The gentleman from Pennsylvania will be recognized. The Clerk will report the modified amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment, modified, offered by Mr. FIELDS: Page 5, line 13, before the word "Navy," insert the word "Army"; and on page 5, line 20, before the word "Navy," insert the word "Army."

The CHAIRMAN. Is there objection to the modification of the amendment offered by the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. CRAGO] is recognized.

Mr. CRAGO. Mr. Chairman, I move to strike out the section, and I do this because of the familiarity I have had with cases of this kind arising in the Committee on Military Affairs.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the section.

Mr. CRAGO. I think I have spent perhaps as much time as any other member of the committee in trying to do justice to these cases, many of which appeal to one's deepest sympathy. We have gone into them time and again, month after month, and we have done justice, as we think, in many cases.

But I want to direct the attention of the committee to the fact that in passing legislation of this kind Congress is simply abrogating its prerogative to a committee or a board appointed by the Executive to consider these cases in the Army and in the Navy. It is possible under the provisions of this section, if there have been cases where commissioned officers of the Army or the Navy during the war with Spain deserted the colors and went to Europe and were caught in the draft of England or France and served in one of those armies and received honorable discharges, in such cases, automatically, if the cases happened to come to this proposed committee or this board, that committee or board would have it in its power to give them all the benefits of an honorable discharge from our Army or our Navy.

I think that is going too far. I sympathize very much with many of these young men who have yielded to temptation in a moment of weakness, and the strongest words I ever attempted to address to our boys when in the service were some such words as these: "Boys, do not give up. When you think you can not hang on just hang on a little while longer." [Applause.]

Many of these cases arose in the late war, as has been described by gentlemen who have preceded me; but many cases were vicious, and I do not believe that Congress should abrogate its powers for all time and declare that for all time application for the removal of the charge of desertion from the Army and the Navy shall be passed upon by a board of officers consisting of officers of the Army or Navy rather than having each case stand on its own bottom, on its own merits, and come before this House—come before Congress.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. BRITTEN. Would the gentleman be in favor of the section if the words "voluntary service" were added to it? The gentleman has mentioned a case where a man was picked up in a draft by the French or the English.

Mr. CRAGO. I do not think a man should be excused for desertion from the Army or Navy of the United States by going into the Army of France or of England. I do not think we should abrogate our powers, even though the Committee on Military Affairs or the Committee on Naval Affairs wanted to do it. If you had all these cases before this House after hearings and investigations, so that you would know the facts in each case, I probably would vote for such a bill. But I do not want any general opening of the door along this line or any general abrogation of the powers of Congress to control this matter of desertion from the Army and Navy. It is one of those things which, once started, you can not stop. It destroys the morale, it destroys the strength, of these arms of our service whenever we make desertions easy and so freely pardon them.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield further?

Mr. CRAGO. Yes.

Mr. BRITTEN. Our attention has been called to cases of this character, for instance: A boy had enlisted in the Navy, and he expected to get into action on the other side. Of course, the Navy got into action over there much more slowly than did the Marine Corps and certain branches of the Army. These youngsters in many cases quit the Navy and deserted and volunteered in the Army, and fought creditably in the Army. Their records now show that they are deserters. It is cases of that kind that we desire to correct.

Mr. CRAGO. That boy, such as the gentleman describes, had the right to request a transfer from the Navy to the Marine Corps or to the Army. Failing to do that or being refused this, it was his duty as an American sailor to stay in the place where he was assigned to duty. We are not going to allow the men in the ranks to dictate the policy of our Government in time of war, are we?

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. BUTLER. Does the gentleman think that the young lads who wanted to jump the fence and do service intended to desert? No. All they wanted was to get to the front.



Mr. CRAGO. In all those cases I think you will find me doing everything I know how to correct those records, just as I have been trying to do it all these years.

Mr. BUTLER. I never yet reported anything that somebody did not take exception to.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CRAGO. Mr. Chairman, may I have three minutes more?

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. STEVENSON. Is not this an invitation to the personnel of the Army and Navy to undertake to override the statutes and to select what part of the service or what part of the Army or Navy they will serve in?

Mr. CRAGO. The remarks of my colleague from Pennsylvania might lead to that conclusion.

Mr. STEVENSON. If a young man had deserted from the American Army or Navy and gone into the army of the Allies, and we should condone his shortcomings here, would not that be an invitation to him and to others like him to say, "We will serve where we want to and when we get ready"?

Mr. CRAGO. Yes.

Mr. McPHERSON. The gentleman is a member of the Committee on Military Affairs, is he not?

Mr. CRAGO. Yes.

Mr. McPHERSON. As a member of the Committee on Military Affairs, have you had a case to look up where you have had to go through the reports of various committees in various Congresses, reports made to this House with reference to removing the charges of desertion from the records of soldiers in various wars, to see how many years such bills were pending before the committees of Congress?

Mr. CRAGO. I will say to the gentleman that the path has not been easy, and I have trodden that path as much as anyone. I have tried to get action on many of these bills. But the House can change that at any time they want to. They can make it easier to get action, and that is what I would rather do than take down the bars and surrender our prerogatives in that respect, and turn this matter over to a commission of the Executive. [Applause.]

Mr. SWING. Will the gentleman yield?

Mr. CRAGO. I yield to the gentleman from California.

Mr. SWING. I should like to ask the gentleman whether he thinks it will affect the morale of the Army or Navy any more to have the Commander in Chief of the Army and Navy exercise discretion in desertion cases than it would to have Congress extend leniency?

Mr. CRAGO. It would not be the action of the Commander in Chief. It would be the machinery that he puts in motion, and that machinery has grown so complicated that I am afraid of it, and you are afraid of it, and you do not know where it will stop.

Mr. SWING. Does the gentleman think a board of Regular Army officers would be unduly lenient in a case of desertion?

Mr. CRAGO. There is nothing in the act that says anything about a board of Regular Army officers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. Mr. Chairman, I doubt whether I could report anything here that my friend from Pennsylvania [Mr. CRAGO] would not take exception to, and therefore he need not ask me to report anything. I will ask him to tell me how he would amend this.

Mr. CRAGO. My motion is to strike it out entirely.

Mr. BUTLER. The gentleman has given years of study to this question and he has reported nothing on this subject.

Mr. CRAGO. If the House sees proper to adopt my amendment, that is a very easy way of getting action.

Mr. BUTLER. There is no use in lecturing us. The gentleman has studied this a long time, and he and I have talked about it. I have reported this. The gentleman has reported nothing, and he has proposed no remedy.

Mr. CRAGO. My motion is to strike out the entire paragraph.

Mr. BUTLER. That is dead easy. Any man who can read and write can do that. [Laughter.]

Mr. CRAGO. I can not make them do it if they do not want to.

Mr. HILL. I agree entirely with the gentleman from Pennsylvania [Mr. CRAGO] and am in favor of striking out this paragraph.

Mr. CRAGO. I am glad the gentleman says that. I have so high a regard for the chairman of this committee and all its

members that I have a natural hesitancy in opposing any part of the bill, which contains many good features, but I thought it my duty to give the House my ideas on the subject, and then it is for the House to act.

Mr. VINSON. Mr. Chairman, I trust the motion of the gentleman from Pennsylvania [Mr. CRAGO] will not prevail. This is a very meritorious section. It is one that is entitled to the most serious consideration on the part of the committee. It should be enacted, and relief should be afforded to these men who have served their country, whether in the Army, the Navy, or the Marine Corps, who left one branch of the service and fought gallantly for the country in another branch of the service. The records of the Navy Department show that a great many boys deserted the Navy and joined the Army of the United States or else joined the armies of the Allies. In a great many instances those boys were killed upon the battle field. In the records of the Navy Department their names are carried as deserters. All of those boys gave their lives and made the supreme sacrifice for their country. Where is the man who will say that boys of that character should be carried on the rolls of their country as deserters?

Mr. DENISON. Suppose they were killed on the battle field before we got into the war?

Mr. VINSON. Then they gave their lives in a cause in which hundreds of thousands of our other boys made sacrifices.

Mr. DENISON. They offered their lives for the other country and not for this country. Does the gentleman think we ought to pension them?

Mr. VINSON. We propose to leave it entirely in the discretion of the President. It is entirely in the jurisdiction of the President, and anyone who knows anything about the views of the Naval and Military Establishments with reference to recommendations in cases of desertion knows well enough that it is very seldom that the department recommends the removal of a charge of desertion in any case unless it is exceptional and most meritorious, and that is the kind which this seeks to remove.

Mr. BUTLER. The President has to approve these bills.

Mr. VINSON. When we pass a bill for the removal of the charge of desertion and to give a boy an honorable discharge, before that bill becomes a law the President must approve the act of Congress removing that charge of desertion. Instead of doing it piecemeal, it should be given to the department to let the department use its discretion to remove the charge of desertion in a meritorious case.

Mr. LONDON. Will the gentleman yield?

Mr. VINSON. I yield to the gentleman from New York.

Mr. LONDON. Has the word "allies" a legal and specific meaning?

Mr. VINSON. It may not have a legal meaning in the gentleman's mind, but to the average layman it means those who fought with America in the Great War.

Mr. LONDON. I know, but you are drafting a law, and, legally, the other powers that fought with the United States were known as the associated powers. They were not known as allies but as associated powers.

Mr. VINSON. I have in mind particularly a case where a Navy boy was serving on the battleship *Georgia*. He deserted and joined the United States Army. He charged four machine guns. He captured three of them, and in a heroic effort to capture the last he was killed. That boy is carried on the records of his country as a deserter. So, I hope the gentleman's motion to strike out the section will not prevail.

Mr. BULWINKLE. Mr. Chairman, I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to speak out of order for five minutes? Is there objection?

There was no objection.

Mr. BULWINKLE. Mr. Chairman and gentlemen of the House, I dislike very much to ever say anything about the war and what I saw; but I realize that to-morrow or the next day, when that American citizen, a fugitive from justice, Grover Cleveland Bergdoll, reads the words of the gentleman from Minnesota [Mr. Knutson] that he, Bergdoll, and all the white-livered, yellow-streaked race like him, will applaud and say, "The American Congress is in favor of us now." [Applause.]

I realize also that that same crowd, when they see the resolution of the gentleman from Wisconsin [Mr. Voigt], which was carried in the press this morning, will applaud vociferously; and I, for one, am not willing to stand in this House and applaud the nation whose army murdered and ravished women in order that their imperialistic ideas might control the earth. [Applause.] I am not willing that sympathy should go to

Germany and at the same time forget the sufferings of France. The gentleman from Minnesota stated that he saw no cattle on his travel from Berlin to some other place in Germany. I, too, have seen suffering. I have seen a man of the Eighty-ninth Division, a young officer, the first morning I was at the front, a man who went out with his patrol and captured a German patrol, and the German officer hollered "Kamerad, kamerad!" The American was disarmed by these words, and the German drove a machete in his face and the young man from the West was brutally murdered.

The gentleman from Minnesota said that all war is hellish. Yes; but this war was more hellish than the rest. We were the first American troops to get into a town in northern France after the armistice. A woman was in this occupied area, where the American Red Cross sent food to the French people, and yet for three months she and her two children had nothing but potatoes to eat, without even salt to put on them. The coffee, the sugar, the flour sent from this country were not turned over by the Imperial German Government to the occupied territory in northern France, but were used for their own army.

I am telling you these things not to stir your blood but in order that you may not forget our ally, France, and that you may remember her sufferings. In the words of the great recession, "Lord, God of hosts, be with us yet, lest we forget."

Mr. BLANTON. Will the gentleman yield?

Mr. BULWINKLE. I will.

Mr. BLANTON. I want to ask the gentlemen what position, if any, the gentleman from Minnesota occupies with his brothers across the aisle?

Mr. BULWINKLE. I will say that while the gentleman from Minnesota is the whip of the Republican Party, yet I know that these men on the Republican side are Americans, and are as patriotic as you and I, and they do not approve of his speech any more than I do. [Applause.]

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. BUTLER] wish to be recognized?

Mr. BUTLER. Does the gentleman from Kentucky wish some time?

Mr. FIELDS. Mr. Chairman, I rise in opposition to the motion of the gentleman from Pennsylvania [Mr. CRAIG].

Mr. BRITTEN. The gentleman from Pennsylvania has made a motion to strike out the paragraph.

The CHAIRMAN. The motion of the gentleman from Pennsylvania [Mr. CRAIG] has not been reported. The pending question is the amendment of the gentleman from Kentucky.

Mr. FIELDS. I understood the gentleman from Pennsylvania [Mr. CRAIG] had made a motion, and I want to oppose that motion.

Mr. BRITTEN. I understood the gentleman from Pennsylvania [Mr. CRAIG] had made his motion.

Mr. CRAIG. The motion has not been reported.

Mr. FIELDS. I trust that I may be permitted to discuss the motion. If not, I move to strike out the last word.

The CHAIRMAN. The gentleman's own amendment is pending.

Mr. FIELDS. I shall discuss the motion made by the gentleman from Pennsylvania. I have no sympathy for the man who runs away from the military or the naval service to get away from a fight. But I want to impress on you gentlemen of the House that there is a vast difference between the man who deserts the colors to get away from a fight and the man who deserts one branch of the service because it is not engaged in actual hostilities and goes to another branch of the service where he can actually get into a fight.

Mr. MCKENZIE. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. MCKENZIE. The statement was made that many brave boys left the Navy and joined the Marine Corps because the Navy was not active in this fight. I want to ask the gentleman from Kentucky if he favors granting a man who deserted from the Army and the Marine Corps to go into the Navy the benefits of this legislation?

Mr. FIELDS. We know how rigid the heads of the departments are in matters of this kind, and I judge that they will not abuse any powers delegated to them by Congress in removing the charge of desertion. The gentleman from Pennsylvania [Mr. CRAIG], I infer from his remarks, contends that Congress would establish a new precedent by delegating to the executive branch of the Government authority to deal with these cases. After the Civil War Congress enacted a statute—I do not recall the date at this time—giving to the War Department broad latitude in dealing with cases of desertion. Yet that statute did not cover all of the meritorious cases, and during my service on the Military Affairs Committee and for one or two ses-

sions while my side was in control of the House I was chairman of the subcommittee on desertions and the gentleman from Pennsylvania [Mr. CRAIG], the gentleman from Illinois [Mr. MCKENZIE], the gentleman from Mississippi [Mr. QUINN], and one other gentleman from my side constituted the personnel of that subcommittee. We set ourselves to the task of going into these cases and making a favorable report upon all meritorious ones. We almost worked our eyes out for months and months. We reported many bills to the House and we rejected many of them, and not one that we reported to the House favorably has ever been enacted into law. They either failed of consideration in the House or at the other end of the Capitol. There were cases of merit. In the Civil War many men were separated from the service by reason of circumstances not under their control. They or their representatives have been knocking at the doors of Congress for years and years, but because of the congested condition of the calendar little progress has been made in correcting their records, and because of the remote possibility of the enactment of legislation of this kind no progress will be made in the future in handling these matters as private bills. I have in mind a case where a man was captured by the enemy and later escaped from prison. He was unable to reach his own command, but he enlisted in another organization and served to the end of the war. Yet to-day that man stands with desertion charged against him on the records of the War Department.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. FESS. I want to know why the gentleman's amendment was not broad enough to be general rather than to limit it to this?

Mr. FIELDS. I wish it was. I have a thought that I desire to give now for the consideration of the membership. We know how impossible it is to get consideration of these bills, and I believe there should be a commission or a tribunal of some kind created to clean up the records and once and for all settle this controverted question.

Men who are charged with desertion by reason of circumstances beyond their control should have that charge removed. Those who deserted should not have it removed and their cases should be passed on definitely and a favorable or an adverse report made upon each case according to its merits. I want to say in closing that there is a vast difference between a man who runs from a fight and the man who runs to a fight. I therefore trust that the motion of the gentleman from Pennsylvania to strike out the paragraph will be voted down.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent that debate upon this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BEGG. Mr. Chairman, I move to strike out the last word. The only observation I care to make on this paragraph is this: Escape from punishment that follows desertion ought to be at all times difficult to obtain. There are more cases, I am sure, where the punishment ought to follow than there are cases where to have the punishment follow would bring about an injustice. I call the attention of the committee to the fact that in this war, in order to fill all of the places, we resorted to the draft, and when the Navy assigned a boy, even though this assignment took him to an old ship down in Cuba, the responsibility resting on the shoulders of that boy was just as great as that resting upon the shoulders of the boy on the battle field. Disregarding the desire of the boy entirely in time of warfare, the records need only go to his duty to his Government, and the boy who treats that duty lightly can not be excused because he is but 18 or 19 years of age, because almost every hero who came out of the war was of that age, and the boy who had the courage to face the guns on the battle field probably did not have any more courage and did not do any more courageous thing than the boy who had the courage to stay at his post of duty, even though it were drudgery. I believe that the general disavowal of the crime by an act of Congress in future times would only bring trouble for the American Army officers in maintaining discipline. The most needed requirement of a man in the Army is that he be so disciplined that he forgets self and obeys orders.

The man who deserts is the man who has not yet learned those requirements of discipline to the point where he can submerge his own ideas, but wants to take things into his own hands, and I for one want to make it a difficult proposition to have a man excused from the charge of desertion.



Mr. BUTLER. It is not proposed to relieve anybody from desertion unless he is entitled to it, and that goes to the President of the United States. I ask my good friend not to be too hard on some of these lads who jumped from one battleship to another in order to get into the fight.

Mr. BEGG. And I want to turn that around and ask my good friend this question: Let us suppose that some branch of the service was so distasteful that you could not get men to serve on it voluntarily, and boys were drafted and assigned to that service.

Does he have the choice of going where he may be shot down or go to the mess tent, and the mess tent might be as necessary as to carry a gun?

Mr. BUTLER. Just as important.

Mr. BEGG. Suppose he should desert, would it excuse him?

Mr. BUTLER. It is harder to get volunteers for the mess tents than—

Mr. BEGG. I do not question it; that is the point I am making, but you are willing to excuse the man who deserts—

Mr. BUTLER. This is entirely in the discretion of the President of the United States on the facts given to him whether or not he considers he should be relieved. I do not want my friend to be too hard on these.

Mr. FIELDS. This was recommended by the Secretary of the Navy.

Mr. BEGG. Oh, yes; but I think the crime of desertion is serious enough to warrant making it a most difficult proposition to excuse it.

Mr. BUTLER. Does the gentleman assume, when he says that it would not be difficult to have the charge of desertion removed, that it would be easier if it was left in the discretion of the President of the United States?

Mr. BEGG. I assume this: I can go before any board and by pressure get across something and make it appear just easier than I can get it through this House. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. I do not make this for the purpose of cutting off this debate, but has not debate been exhausted?

The CHAIRMAN. The limit of time has been fixed and the gentleman from Ohio and the gentleman from Iowa were to have half of the time.

Mr. HULL. Mr. Chairman and gentlemen of the committee, I regret I can not agree with my distinguished colleague from Pennsylvania on the Military Affairs Committee, for whose opinion I have great respect, as to this matter. I find myself in complete accord with the committee. The only trouble is that the committee, in my opinion, did not go far enough in authorizing the charge of desertion to be corrected. So far as I know, this is the only country that refuses its Army and Navy the authority to correct the records when they find that they themselves have made the error, and it is the only war for which we have not passed that kind of a measure. Now, the trouble is that even though they find their records are in error, and they admit it, they will not correct them, and a man who is charged with desertion has to come to Congress—and thousands of cases die before Congress acts on them.

Mr. MILLER. Will the gentleman yield?

Mr. HULL. I will.

Mr. MILLER. The gentleman will recall the law of 1887, which was enacted for the purpose of correcting military records, made it necessary for a man to apply within a certain length of time, and there was no man now applying for a pension as a veteran of the Civil War but who could have taken advantage of that law.

Mr. HULL. That is all right, but there are cases to-day, and the gentleman from Washington advocates those cases in the Military Affairs Committee, of trying to correct records by legislative enactment, and they fail because you can not get them through, and they are just cases, and the gentleman from Washington knows it.

Mr. MILLER. And they have to be pretty good cases to get past me, too.

Mr. HULL. Certainly.

Mr. STEVENSON. Will the gentleman yield?

Mr. HULL. I will.

Mr. STEVENSON. That is where there has been some mistake about the man deserting; but when we put men in the Navy or in the Army and they decide that they are not going to serve, but they are going to serve in the French or English Army or Navy, that is real desertion. Is not that desertion?

Mr. HULL. It might and it might not be.

Mr. STEVENSON. Is not that the law?

Mr. HULL. I know this, that case after case tried to enlist. I found one case where in the Battle of Gettysburg a man was charged with desertion, and the facts were—and they proved it to the War Department—that the man never deserted; he was taken prisoner, escaped during the battle from where he was taken prisoner and joined under a provost marshal and fought through the battle, and his own regiment had disappeared and he joined another regiment and fought through the war and received an honorable discharge; and yet they will not correct the original discharge.

Mr. STEVENSON. The law did not permit; that is not the thing that this bill provides for. It specially says where he deserted from one force and went to another.

Mr. HULL. I say this bill does not go far enough.

Mr. McKENZIE. Will the gentleman yield?

Mr. HULL. I will.

Mr. McKENZIE. Is it not a fact that this legislation proposes to give a distinguished service cross to a deserter, and if that is true what is the difference—

Mr. HULL. No; that is not true. This simply permits the President of the United States—and I may say to the gentleman that those gentlemen are never very soft-hearted; the most of them are hard-boiled, and he knows it; they do not pass a case that is justly charged with desertion, and they never will.

Mr. BUTLER. I propose that the committee amend this paragraph, if agreeable, by providing that this desertion accrued during the World War, so we will not have to deal with any of the other cases but confine it entirely to the World War.

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

The question was taken, and the amendment was agreed to.

Mr. CRAGO. Now, Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. CRAGO: Page 5, beginning with line 8, strike out all of the section.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the yeas seemed to have it.

Mr. STAFFORD. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 17, yeas 39.

Mr. STAFFORD. Mr. Chairman, I demand tellers, and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Wisconsin demands tellers.

Mr. STAFFORD. Will the gentleman from Pennsylvania [Mr. BUTLER] tell us how long he proposes to sit?

Mr. BUTLER. We will rise pretty soon.

Mr. STAFFORD. Mr. Chairman, I withdraw my demand for tellers.

The CHAIRMAN. The gentleman from Wisconsin withdraws his demand for tellers.

Mr. STAFFORD. And I withdraw the point of no quorum.

The CHAIRMAN. On this vote the yeas were 17 and the yeas were 39.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TO CREDIT CERTAIN OFFICERS WITH ACTIVE DUTY PERFORMED SINCE RETIREMENT.

SEC. 4. That all retired commissioned and warrant officers of the United States Navy and Marine Corps who served on active duty in the Navy and Marine Corps of the United States during the war with Germany shall be credited with all active duty performed since retirement during the period from April 6, 1917, to March 3, 1921, in the computation of their longevity pay.

Mr. HICKS. Mr. Chairman, I am going to ask permission to extend my remarks in the Record on some matters pertaining to this bill. I have been working on some tables which I think will be of interest to the Members, and I have been able to elude some things that I do not think have been published before. I therefore want to have my remarks printed to-night so as to be published in the Record in the morning, and I ask unanimous consent that they be printed in 8-point type.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the Record as indicated, in the usual 8-point type. Is there objection?

There was no objection.

Mr. HICKS. Mr. Chairman, this bill, among other things, authorizes the modernization of 13 of our older battleships, namely, the *Idaho*, *Mississippi*, *New Mexico*, *Arizona*, *Pennsylvania*, *Nevada*, *Oklahoma*, *Texas*, *New York*, *Wyoming*, *Arkansas*, *Florida*, and *Utah*. The five latest vessels of the Navy—the *Colorado* and *West Virginia*, still to be completed, and the *California*, *Tennessee*, and *Maryland*—will require very little, if any, modernization. These alterations are made necessary in order to keep our Navy on a parity with other powers which have or which are modernizing their ships. It is felt that these changes do not violate the provisions of the conference treaty, which states that—

"No retained capital ships or aircraft carriers shall be reconstructed except for the purpose of providing means of defense against air and submarine attack, and subject to the following rules: The contracting parties may for that purpose equip existing tonnage with bulge or blister or antiair-attack deck protection, providing the increase of displacement thus effected does not exceed 3,000 tons displacement for each ship. No alteration in side armor, in calibre, number, or general type of mounting of main armament shall be permitted." (Ch. 2, pt. 3, sec. I, par. D, naval treaty.)

At the present time it is proposed to increase the range of our guns by giving them an additional elevation without changing the general type of mounting. The cost of these changes for increased gun elevations is about \$6,500,000 for the 13 ships. Later on it is contemplated to stiffen the decks and to add blisters for protection against submarine attack. These alterations will cost probably in the neighborhood of \$25,000,000 in addition to the gun elevations. Similar changes are going on in the British fleet and also in the Japanese fleet, and it is considered that these alterations come within the purview of the provisions of the treaty. Let me quote in this connection Secretary Denby when he says: "We think that our Navy should be put on a parity with the navy of Japan and Great Britain in the strength of the individual ships, and the only way to do that is to elevate the guns by such necessary structural changes as do not contravene the terms of the treaty; by adding additional sheathing on the decks to protect the vessels against airplane attack; by putting on blisters to protect the vessel against submarine attack and later on by increasing the calibre of the guns for antiaircraft use."

Personally, I feel it is our duty to proceed at once with this program of modernization of our ships in order that our vessels may equal the ships of other powers. Whatever size Navy we have should be an efficient Navy, a Navy, ship for ship, the equal of any navy on the seas. Whether or not the 1916 year program had been completed, or whether or not the Washington conference had been held, the fact remains that the ships we have should be equipped with all modern improvements and given the maximum of strength and protection. They should represent the last word in naval construction and efficiency.

The battle range of these 13 ships at present is about 22,000 yards. By giving the guns an elevation of 80 degrees our battle range will then be 32,000 yards, and with the roll of the ship after the first salvo is fired the range might be raised to 35,000 yards.

The necessity for modernizing our capital ships is apparent if we wish to preserve that ratio of strength which was allotted to us under the terms of the limitation of naval armaments treaty. The longer we delay putting this modernization into effect the greater will be the disparity in the ratios and the more extensive will be the work when it is once undertaken. When the delegates agreed to a limitation in capital ships the plan adopted for limitation was the American proposal. In order that it may be clearly understood what the American proposal meant, it is necessary to understand also the plan under which our Navy was being developed. So long as construction in capital ships was not limited it was more efficient for us to build new ships than it was to attempt an unlimited modernization of the older dreadnoughts. It must be realized further that our country had never reached the position attained by some other countries, where we could say that we had practically reached the limit of capital-ship construction. Therefore our naval policy always looked forward to an increase in number of our capital ships rather than the adoption of any other plan. It is important to remember that this policy is sound so long as a country is inferior in actual numbers of major fighting ships. In following this plan to its logical conclusion it is evident that the moneys appropriated should go to new construction, as it was more important that we should attain a position where we had superiority in numbers or at least equality in numbers, rather than to spend these appropriations in making over older tonnage. However, Great Britain, who has already attained superiority in numbers of capital fighting ships, was not confronted with the problem which faced us. Great Britain

had only to maintain the superiority in numbers which she already had attained, and after that to devote her attention to seeing that what she already had was kept in the pink of condition. Therefore, during the last war she had already started on a campaign of modernizing the older capital ships. This work has been gradually progressing, and was in progress at the time the conference was called. For new construction Great Britain had made only a modest estimate, and at the time our conference met the keels of her new Hoods had not been laid. Japan, on the other hand, was faced with a problem similar to ours, and while her ships under construction were few, compared to ours, her projected building program was extensive. So, therefore, when under the terms of our proposal all of the capital ships under construction of the navies of the United States, Great Britain, and Japan were to be scrapped, it was the American naval construction policy in capital ships which was also scrapped. It is not to be understood that this was wrong. It was eminently the correct policy to pursue. One of the main, if not the main, objects of the conference was to restore amicable relations with Japan, secure stability in the western Pacific, and remove causes for friction, of which unlimited competition in capital-ship construction was one of the most potent. These results the conference accomplished. However, in so doing we are faced with other practical problems. Before accepting in toto our plan, in the discussion which resulted, it was found necessary to make provisions for modernizing the existing capital-ship tonnage to meet the improved methods of modern warfare, principally in the direction of providing adequate defense against torpedo and air attack. When this clause was introduced it coincided more closely with the British policy for modernization of older ships than it did with our policy of laying down new capital ships. Great Britain has been systematically proceeding along the lines which she started during the war. In doing this she has violated none of the terms of the treaty agreed to. But it is to be remembered that any modernization is a step in advance and makes the ship modernized a better fighting ship and one of greater value in its ability to maintain its position in the line.

The number of ships which have had bulges, torpedo protection, and improvements in the method of gun elevations is probably about 10 in the British service, and as much as £500,000 have been spent on a single ship. No matter how equal the ratios may be one year, if one country adopts a policy of modernizing her ships, and another country does not spend any money in keeping her ships up to date, no ratio will remain equal for any length of time. And if the United States is to attempt to maintain the ratio assigned to her, it will be necessary for us to spend a certain amount of money in keeping up to date the capital ships which are allowed to us under the terms of the treaty. Nothing more is asked than that we shall be allowed to modernize our existing capital-ship tonnage as other countries have done before us.

The steps indicated for us to take now are:

"(1) To increase the range of all turret guns of our retained capital ship fleet to 30°, which will give us a battle range corresponding to foreign practice.

"(2) To increase the antiaircraft deck protection of the six oldest of our retained capital ships to correspond with present foreign practice regarding ships constructed at about the same time.

"(3) To add blisters and other protective means to the underwater bodies of 13 of our retained capital ships and the necessary protection to the very great existing torpedo menace. This addition of blisters will, in the case of the coal burners, require also for their protection conversion to oil burners."

These steps are necessary if we are to maintain anything approaching the standard of a capital ship navy second to none.

Let me quote the following statement made by Admiral McVay, of the Bureau of Ordnance:

"That part of the policy of the Navy Department relating to the modernization of the capital ships, and which comes under the cognizance of the Bureau of Ordnance, consists of increasing the elevation of turret guns and improving ballistics of some of the major-calibre guns.

"The increased elevation is not a change in the general type of mounting, being merely a modification of existing mounts which will permit the elevation and range of 13 of our capital ships to be made similar to that which the 5 later ships now have, thereby increasing the "fleet range." These changes are similar to those already made or contemplated by other naval powers, and they will enable us, so far as ordnance is concerned, to bring our fleet up to required standards.

"Unless these changes are made our guns will be outranged by those of other powers, so that it is incumbent upon us not only to make the changes outlined but to do the work at as early a date as is possible. The ordnance aboard these ships



is satisfactory, even though the vessels themselves were completed several years ago; but increased ranges at which modern battles are fought, due to improvements in fire-control methods, including spotting by airplanes, have demonstrated the necessity for modifying our installations to meet present long-range requirements such as were not considered essential prior to the late war.

"Representatives of the Navy who have preceded me have been questioned regarding the plans to modify existing ships, and I might add to their statements that it has always been our policy to maintain material up to standard, to which end we are constantly testing projects and then placing them in service, provided this is warranted.

"The six and a half millions to modernize the ships, so far as the Bureau of Ordnance is concerned, is a relatively small amount as compared with that which would have been required to complete those vessels designated for scrapping under the treaty for the limitation of armaments, being only a little over 6 per cent of the saving effected. Except for the treaty, \$102,000,000 would have been required to complete ordnance material designated for scrapping; and now it is going to cost us but \$6,500,000 to modernize existing ships as far as the Bureau of Ordnance is concerned.

"It must also be borne in mind that these ships are to last for many years, during which time they can not be replaced by new construction, except in case of loss or accidental destruction. It therefore is incumbent upon us to devote our energies toward maintaining all of our vessels in the highest state of efficiency."

In this connection let me quote from President Roosevelt, who in writing to one of his sons on May 12, 1907, said: "I want still more to see our Navy maintained at the highest point of efficiency, for it is the real keeper of the peace."

Mr. Speaker, much has been written in reference to the Washington conference. With few exceptions the comments have been favorable and complimentary. The importance of these treaties from the financial standpoint can not be challenged; yet above any economic consideration is the accomplished fact of international agreements conceived in the spirit of amity, pledging the great powers of the earth to compacts of friendship and conciliation. Distrust and prejudice have been superseded by respect and confidence; programs of competitive battleship construction, inaugurated by jealousy and suspicion, have given way to covenants of cooperation, inspired by candor and justice. These treaties can not be assessed in dollars or measured by budget standards alone. The benefits they will render mankind rest upon good will and the avowed determination that misunderstandings shall be considered in frankness and in fairness with the consciousness that peace, not war nor the suggestion of war, is the guide for an advancing civilization.

President Harding, whose vision of world needs and sympathy for struggling humanity inspired him to call the conference, eloquently set forth its accomplishment on the day of its final adjournment when, in bidding farewell to the delegates, he said:

"This conference has wrought a truly great achievement. It is hazardous sometimes to speak in superlatives, and I will be restrained. But I will say, with every confidence, that the faith plighted here to-day, kept in national honor, will mark the beginning of a new and better epoch in human progress.

"Stripped to the simplest fact, what is the spectacle which has inspired a new hope for the world? Gathered about this table nine great nations of the world—not all, to be sure, but those most directly concerned with the problems at hand—have met and have conferred on questions of great import and common concern, on problems menacing their peaceful relationship, on burdens threatening a common peril. In the revealing light of the public opinion of the world, without surrender of sovereignty, without impaired nationality or affronted national pride, a solution has been found in unanimity and to-day's adjournment is marked by rejoicing in the things accomplished. If the world has hungered for new assurance, it may feast at the banquet which the conference has spread.

"It has been the fortune of this conference to sit in a day far enough removed from war's bitterness, yet near enough to war's horrors, to gain the benefit of both the hatred of war and the yearning for peace. Too often heretofore the decades following such gatherings have been marked by the difficult undoing of their decisions. But your achievement is supreme because no seed of conflict has been sown, no reaction in regret or resentment ever can justify resort to arms.

"It little matters what we appraise as the outstanding accomplishments. Any one of them alone would have justified the conference. But the whole achievement has so cleared the atmosphere that it will seem like breathing the refreshing air of a new morn of promise.

"You have written the first deliberate and effective expression of great powers in the consciousness of peace, of war's utter futility, and challenged the sanity of competitive preparation for each other's destruction. You have halted folly and lifted burdens, and revealed to the world that the one sure way to recover from the sorrow and ruin and staggering obligations of a world war is to end the strife in preparation for more of it and turn human energies to the constructiveness of peace.

"No intrigue, no offensive or defensive alliances, no involvements have wrought your agreements, but reasoning with each other to common understanding has made new relationships among Governments and peoples, new securities for peace, and new opportunities for achievement and attending happiness.

"Here have been established the contacts of reason, here have come the inevitable understandings of face-to-face exchanges when passion does not inflame. The very atmosphere shamed national selfishness into retreat. Viewpoints were exchanged, differences composed, and you came to understand how common, after all, are human aspirations; how alike, indeed, and how easily reconcilable are our national aspirations; how sane and simple and satisfying to seek the relationships of peace and security.

"When you first met, I told you of our America's thought to seek less of armament and none of war; that we sought nothing which is another's, and we were unafraid, but that we wished to join you in doing that finer and nobler thing which no nation can do alone. We rejoice in that accomplishment."

As there has been a good deal of discussion and much inaccurate information adduced in relation to the tonnage to be scrapped under the Washington conference treaties, permit me to give these figures which I am confident are correct. Much of the confusion is probably due to the fact that the standards of measurement of ship tonnage differ in each country.

Under the original American proposal, figured by the United States standard of measurement, the tonnage to be destroyed was:

	Tons.
United States.....	845,740
Great Britain.....	583,375
Japan.....	448,928

Under the treaty agreement the tonnage to be scrapped is as follows:

	Tons.
United States.....	733,540
Great Britain.....	500,000
Japan.....	325,440

This computation is based on the scrapping of the *North Dakota* and *Delaware* upon the completion of the *Colorado* and *West Virginia* for the United States Navy, and upon the scrapping of four *King George V* class of ships upon the completion of the two new *Hoods* for the British Navy.

The original American proposal contemplated a "stop now" program in capital-ship construction for the United States, Great Britain, and Japan on the 5-5-3 basis. On this basis the United States was to terminate construction on all capital ships laid down. Great Britain was to stop work on the four new *Hoods* contemplated, on which sums of money had been spent but no keels laid. Japan was to end work on ships already under construction and was to discard her paper program. The 1916 program for the American Navy contemplated the construction of 10 battleships and 6 battle cruisers of heavy type and large size, and in addition the building of a large number of smaller war vessels. The estimated total cost of these 16 capital ships to completion was \$525,000,000, which amount would have been exceeded had they been built under war and post-war conditions. Of this program, the *Maryland* was in commission at the time of the conference and will not be scrapped. The American proposal contemplated the destruction of the remaining 15 capital ships being built under the program. We had expended or obligated ourselves to spend approximately \$332,000,000 on these unfinished capital ships. As the treaty permits the retention of the *West Virginia* and *Colorado* and of two battle cruisers for conversion into airplane carriers, all four of which were included in the 1916 program, the amounts expended upon these ships should be deducted from the \$332,000,000 in order to determine the cost involved in scrapping these unfinished vessels. As this expenditure is about \$90,000,000, the net total of money expended on ships under construction which are to be broken up is approximately \$242,000,000.

It is provided in the treaty, which shall remain in force until December 31, 1936, that capital ships, other than aircraft carriers in existence or building on November 12, 1921, shall not be replaced by new construction until 20 years after their completion. The keels of such new construction may be laid down not earlier than 17 years from the date of the completion of the ships to be replaced, but this replacement tonnage shall not



be commenced before November 12, 1931. Article 4 of the treaty is the naval ratio agreement and it gives in standard displacement tonnages the aggregates for capital-ship replacements as follows:

	Tons.	Ratio.
United States-----	525,000	5
Great Britain-----	525,000	5
France-----	175,000	1.75
Italy-----	175,000	1.75
Japan-----	315,000	3

In making any comparison between navies, other elements besides tonnage should be considered. In this discussion of the relative strength of the several navies, there is no thought of hostility or prejudice—nothing but kindly feeling toward all the fleets, for it is my hope that armed conflict shall never mar the cordial relationships now so happily established. In the matter of speed it is evident that Great Britain in some of her ships, and Japan in all of hers, have some advantage over vessels of the American Navy, especially in battle cruisers, a type of ship about which there has been much controversy. In battle cruisers their greater speed means a reduction in their fighting and defensive power. As many experts feel that in the final decision in battle the test will be strength against strength, this sacrifice of staying qualities for increased speed may not be justified. In considering the relative values of battleships and battle cruisers let us assume a hypothetical case in which a fleet composed of both battle cruisers and battleships comes into conflict with a fleet consisting of battleships only. Would these cruisers be sent out to destroy commerce or would they be kept with the fleet? If they became commerce raiders, the main fighting fleet on the day of battle would have that less number of capital ships. If they remained with the main fleet, owing to the fact that they do not possess the same fighting value as the battleship, they might not be strong enough to lie in the line to receive the blows of an all-battleship fleet, and would therefore be of small value. It should be borne in mind that the original American proposal set limits on the 5-5-3 ratio not only to capital ships but to all types of ships, including cruisers. In this particular department—namely cruisers—the United States is very weak relatively both to Japan and Great Britain. While the battle cruisers would probably not be built by us or by any other country that contemplated fleet action, yet the battle cruiser as a type must be reckoned with in any sea operations which contemplate maneuvers similar to those conducted by a cavalry or quick-moving land force before the two main armies come in contact with each other. In other words, the battle cruiser, particularly if it be augmented by numbers of fast light cruisers, will always be a menace to the lines of communications of even a very superior fighting force. Practically the only counter to such operations is to be yourself at least equally strong. Therefore for the United States this means the building up of our light cruiser strength until it is on a parity in the established ratio with the capital ships which we retain under the treaty provisions. Particularly in these modern days, when vast numbers and forces are used, the strength of the military body is substantially that of its supply line, and in a very great measure the same holds true of naval forces.

In the capital-ship class Great Britain has four battle cruisers of large tonnage and high speed, Japan has 4, while the United States has none. Under our 1916 program we were constructing 6 of this type of vessel, but they will all be scrapped under the treaty, with the exception that 2 of them will be converted into airplane carriers. Of light cruisers, from 3,000 to 8,000 tons, the construction of which is not limited by the conference, we are building 10, with a displacement of 75,000 tons, armed with 6-inch guns and capable of speeding at 33 knots. Great Britain has 40, with a total tonnage of 161,690, and Japan has 10, with a total displacement of 51,100 tons, with speeds of 27 knots and better. Great Britain is also building 2, totaling 15,100 tons and Japan has under construction 11, totaling 66,520 tons.

Of the heavier class of cruiser, not exceeding 10,000 tons, and permitted by the treaty without numerical or total tonnage limitation, Great Britain has 4 with a total displacement of 56,700 tons, capable of cruising at 27 knots. Two of this number, the *Courageous* and *Glorious*, are 32-knot vessels of 18,600 tons, armed with four 15-inch guns. These ships are in excess of the tonnage permitted for new auxiliary vessels. Owing to the fact that their armor is only 3 inches in thickness, they were not included in the capital-ship class, although both in tonnage and in they came within the specifications. We have nothing to offset these heavier-class cruisers, nor have we any under construction. It is noted that in this class Great Britain is building 2, with a total tonnage of 19,500, and Japan 4, totaling

40,000 tons. These will all have a speed of 27 knots or more and be armed with 8-inch guns.

In cruisers, therefore, of 3,000 tons and better, of modern type the United States has built or is building 10, with a total tonnage of 75,000; Japan has 25, with a total tonnage of 157,730; and Great Britain 48, with a total tonnage of 252,990 tons.

Naval experts insist that we can not have a well-rounded fleet as long as we are deficient in this class of vessels. They describe the functions of the light cruisers as—

First. The service of information, scouting; in other words, searching for the enemy fleet and finding out what it is doing.

Second. Screening; that is, guarding our fleet against surprise and keeping off the enemy scouts.

Third. In battle, supporting our destroyers in their torpedo attacks against enemy battleships and beating off the enemy destroyers attempting to torpedo our battleships.

Fourth. Operating against enemy shipping and protecting our own shipping against enemy raiders.

In view of the very unsatisfactory situation of our Navy in regard to cruisers, the question naturally presents itself, Why have we neglected to build vessels of this type while we constructed large numbers of destroyers? These destroyers, it must be remembered, were constructed during the war, when all efforts were directed to the one object of checking the submarine and thereby making possible the transportation of men and supplies to Europe. We all remember when the belief was common that the outcome of the World War was dependent upon American troops reaching the front and being maintained and in transporting supplies to Great Britain to enable her people to hold out until our Army could be thrown into the conflict. The destroyer was unquestionably the most effective weapon for use against the submarine, and all our energies were directed to building these ships to protect transports and cargo vessels. During the war Great Britain concentrated more upon the building of cruisers than upon destroyers, and since the Washington Conference the naval thought of Great Britain and Japan has favored the construction of these light cruisers. It is clearly evident that the United States, if we are to have a well-balanced fleet, must lay down a large number of fast cruisers.

The General Board of the United States Navy, composed entirely of experienced experts, recently rendered an opinion that, in view of the limit of 18 capital ships for the United States Navy, the best policy would be to retain battleships in preference to battle cruisers. With a specific limit placed on capital ships, it is more than probable that the fleets of the future of all nations will be composed of ships possessing the maximum of strength, and, therefore, if this is to become the policy, the death knell of the present battle cruisers has been sounded.

In any reference to speed, it is only fair to mention the fact that it is the speed of the slowest ship in a fleet which determines the speed of that fleet. Eight of the British ships are rated at 21 knots, and while the *Queen Elizabeth* type ships have a speed of 25 knots, yet to maintain their position in the line the speed of 21 knots, which is the speed of the American fleet, can not be exceeded, so the question of speed is not of primary importance in any comparison between the British and American fleets. In comparison with the Japanese fleet the advantage of speed lies with their ships, but to gain this speed they have sacrificed armor and thereby made their ships more vulnerable and less able to withstand bombardment. In this connection it is well to note that the average thickness of the armor on Japanese ships is less than 11 inches, on British ships it is 12½ inches, while on American ships the average thickness is 14½ inches.

It is but fair to mention that under the treaty the total number of guns carried on the United States battleships is 192 against 166 for Great Britain and 96 for Japan, and that therefore the salvos of fire are very much greater in the American Navy. Another item of interest is the fact that we have 7 ships armed with 14-inch guns of 50 calibre, as compared with the 15-inch and 13½-inch guns of 42 and 45 calibre carried by the British. This brings the range of our smaller guns up to the range of the larger British guns. It may be fairly stated that in ordnance and armor the United States battleships are equal, if not superior, to the ordnance and armor of the British ships, and greatly superior to that of the Japanese ships.

As I have frequently been asked the weight of projectiles and the ranges of guns, it may be of value to give a quick method for ascertaining these measurements, which are applicable to our own guns. For the weight of the shell of any



gun, take the diameter of the bore of the gun in inches and cube it. Divide this by 2 and the result will be the weight in pounds of the shell. For a 5-inch shell, 12½ pounds should be subtracted from the result of the division. For the range, take the diameter of the bore of the gun in inches and multiply by 1½. The result will be the number of miles the shell will carry. Of course the results are only an approximation, but in the weight of the shell the calculation will be nearly accurate.

The following tables give the ships which may be retained by the several nations under the Washington Conference treaties:

*Ships which may be retained by the United States,  
(American standard of measurement.)*

Name.	Commissioned.	Tonnage.	Main battery.	Speed.	Date of replacement.
			No. Ins.	Knots.	
Maryland.....	1921	32,600	8 16	21	1941
California.....	1921	32,300	12 14	21	1941
Tennessee.....	1920	32,300	12 14	21	1940
Idaho.....	1919	32,000	12 14	21	1939
New Mexico.....	1918	32,000	12 14	21	1939
Mississippi.....	1917	32,000	12 14	21	1938
Arizona.....	1916	31,400	12 14	21	1937
Pennsylvania.....	1916	31,400	12 14	21	1937
Oklahoma.....	1916	27,500	10 14	20½	1936
Nevada.....	1916	27,500	10 14	20½	1936
New York.....	1914	27,000	10 14	21½	1935
Texas.....	1914	27,000	10 14	21	1935
Arkansas.....	1912	26,000	12 12	21	1935
Wyoming.....	1912	26,000	12 12	21	1934
Florida.....	1911	21,825	10 12	22	1934
Utah.....	1911	21,825	10 12	21	1934
North Dakota.....	1910	20,000	10 12	21	To be scrapped.
Delaware.....	1910	20,000	10 12	21½	
Total.....		500,650			

On the completion of the *West Virginia* and *Colorado*, to be replaced in 1942, each with a displacement of 32,600 tons and carrying eight 16-inch guns, the *North Dakota* and *Delaware* are to be scrapped. This will then give to the United States Navy a tonnage of 525,850, and we will then possess 3 ships equipped with 16-inch guns, 11 ships with 14-inch guns, and 4 ships with 12-inch guns. Our 18 ships will then carry twenty-four 16-inch guns, one hundred and twenty-four 14-inch guns, and forty-four 12-inch guns, or a grand total of 192 guns capable of delivering a broadside of metal weighing 262,280 pounds. At present our 18 ships can deliver a broadside weighing 246,680 pounds.

*Ships which may be retained by Great Britain,  
(British standard of measurement.)*

Name.	Commissioned.	Tonnage.	Main battery.	Speed.
			No. Ins.	Knots.
Royal Sovereign.....	1916	25,750	8 15	23
Royal Oak.....	1916	25,750	8 15	23
Revenge.....	1916	25,750	8 15	23
Resolution.....	1916	25,750	8 15	23
Ramilles.....	1917	25,750	8 15	23
Malaya.....	1916	27,500	8 15	25
Valliant.....	1916	27,500	8 15	25
Barham.....	1916	27,500	8 15	25
Queen Elizabeth.....	1916	27,500	8 15	25
Warspite.....	1916	27,500	8 15	25
Benbow.....	1914	25,000	10 13.5	21
Emperor of India.....	1914	25,000	10 13.5	21
Iron Duke.....	1914	25,000	10 13.5	21
Marlborough.....	1914	25,000	10 13.5	21
Hood.....	1920	141,200	8 15	31
Renown.....	1916	126,500	6 15	31
Repulse.....	1916	126,500	6 15	31
Tiger.....	1914	128,500	8 13.5	30
Thunderer.....	1912	22,500	10 13.5	21
King George V.....	1912	23,000	10 13.5	21
Ajax.....	1913	23,000	10 13.5	21
Centurion.....	1913	23,000	10 13.5	21
Total.....		580,450		

<sup>1</sup> Battle cruisers.

On the completion of the two new *Hoods*, each with a displacement of 35,000 tons and equipped with, probably, nine 16-inch guns, the *Thunderer*, *King George V*, *Ajax*, and *Centurion* will be scrapped. This will then give to the British Navy a tonnage of 558,950, and they will have 2 ships carrying 16-inch guns, 13 carrying 15-inch guns, and 5 carrying 13.5-inch guns. The 20 British ships will then carry eighteen 16-inch guns (assuming this size gun is placed on the new *Hoods*), one hundred 15-inch guns, and forty-eight 13.5-inch guns, a total of 166 guns, capable of delivering a broadside of metal weighing 299,520 pounds. At present the 22 British ships can deliver a

broadside weighing 315,200 pounds. Assuming that the battle cruisers might not be a part of the fleet on the day of battle, the total weight of metal thrown would be reduced 49,600 pounds.

*Ships which may be retained by Japan.  
(Japanese standard of measurement.)*

Name.	Commissioned.	Tonnage.	Main battery.	Speed.
			No. Ins.	Knots.
Mutsu.....	1921	33,800	8 16	23
Nagato.....	1920	33,800	8 16	23.5
Hyuga.....	1918	31,260	12 14	23
Ise.....	1917	31,260	12 14	23
Yamashiro.....	1917	30,600	12 14	23
Fu-So.....	1915	30,600	12 14	23
Kirishima.....	1913	127,500	8 14	27
Haruna.....	1913	127,500	8 14	27
Hiyei.....	1913	127,500	8 14	27
Kongo.....	1913	127,500	8 14	27
Total.....		301,320		

<sup>1</sup> Battle cruisers.

Japan will have 2 ships carrying 16-inch guns and 8 carrying 14-inch guns. The 10 Japanese ships will carry sixteen 16-inch guns and eighty 14-inch guns, a total of 96 guns, capable of delivering a broadside of metal weighing 160,649 pounds. If Japan should not engage her cruisers in fleet battle, the weight of metal thrown by these ships, 43,900 pounds, would be deductible.

It has frequently been stated that the two *Hoods* allowed the British Navy are to be super *Hoods*, but this is an error. It is true Great Britain had planned the construction of a vessel having a displacement of approximately 50,000 tons, to be armed with a large number of 16-inch guns. This type of vessel has been abandoned and the two *Hoods* to be built will be vessels not exceeding 35,000 tons displacement and armed with not over 10 16-inch guns. As Great Britain has at this time no guns of this calibre, it may develop that 15-inch guns will be utilized on the two *Hoods*.

As there has been discussion in regard to the different methods of computing tonnage, it may clarify the subject to state that while such differences exist they were all considered before the convening of the conference, and in order to arrive at a just estimate of the relative strength of the several fleets each ship of the British, Japanese, French, and Italian navies was reduced to the American standard of measurement and the comparison was made on that basis.

The standard-displacement tonnage adopted by the conference is ascertained by taking "the displacement of the ship complete, fully manned, engined, and equipped ready for sea, including all armament and ammunition, equipment, outfit, provisions, and fresh water for crew, miscellaneous stores, and implements of every description that are intended to be carried in war, but without fuel or reserve feed water on board." The ton used in the treaty is the ton of 2,240 pounds. It is provided that "vessels now completed shall retain their present ratings of displacement tonnage in accordance with their national system of measurement," but that a vessel completed after the treaty goes into effect shall be rated in conformity to the standard adopted.

By the American method of measurement, in addition to the items included in the standard measurement, two-thirds of the ship's fuel supply, extra oil and water, are measured as part of the tonnage. This measurement was based on the theory that a ship should be measured in the condition she would be in when ready to proceed to sea and, therefore, fuel was included as part of the tonnage. American ships, when measured by standard displacement, will be lighter in tonnage by the amount of fuel which was included in their measurement. The British and Japanese standards of measurements are practically the same as the standard adopted by the conference.

Owing to the difference between the two methods of measurement there will be a slight advantage gained by ships to be constructed under this new standard over American vessels already completed. For instance, in the case of the new *Hoods* of 35,000 tons standard displacement, as compared with the *Colorado*, of 32,600 tons American displacement, the *Hoods* are probably some 4,500 tons heavier, although the difference shown by the figures is only 2,400 tons. Of course, this discrepancy will disappear when replacements are effected, for then ships of all nations will be measured by a uniform standard.

On the American basis of tonnage measurement the present capital-ship tonnage allowed by the treaties is:

	Tons.
For the United States.....	500,650
Great Britain.....	604,450
Japan.....	313,300

On the completion of the two American and two British ships and the scrapping of the two old American ships and the four old British ships as provided for in the treaties, the capital-ship tonnage by American measurement will be:

	Tons.
United States.....	525,850
Great Britain.....	578,600
Japan.....	313,300

Computed on the basis of standard displacement measurement this capital-ship tonnage will be—

	Tons.
United States (approximately).....	507,600
Great Britain.....	558,650
Japan.....	301,320

which will remain operative until replacements are inaugurated, when the United States and Japan will build up to the limit permitted by the treaty, namely, 525,000 tons for the United States and 315,000 tons for Japan, while Great Britain will have to reduce her tonnage from 558,650 to 525,000 tons.

In comparisons of auxiliary tonnage it must be borne in mind that with the exception of aircraft carriers the treaty does not limit the number, the total tonnage, or the tonnage of particular classes of armed ships, provided they do not exceed 10,000 tons or carry a gun larger than 8 inches. While we are unquestionably inferior to Great Britain in light cruisers and flotilla leaders, yet in modern destroyers, built or building, and in submarines we are superior. The question of increasing the number of our auxiliary vessels, not being limited by the treaty, is one of policy and has no direct bearing on any discussion of the conference. From the results obtained from recent aviation tests it is evident that one of the great needs of the United States Navy is an increased number of large, high-speed aircraft carriers, which Congress should at once authorize.

In discussing auxiliary craft it is interesting to recall that the original United States proposal which was not accepted, provided that the total tonnage of light cruisers, flotilla leaders, and destroyers should be limited to—

	Tons.
United States.....	450,000
Great Britain.....	450,000
Japan.....	270,000
France.....	150,000
Italy.....	150,000

and that for submarines it should be—

	Tons.
United States.....	90,000
Great Britain.....	90,000
Japan.....	54,000
France.....	30,000
Italy.....	30,000

The following tables give the relative strength of the most important ships of the auxiliary fleets. Aircraft carriers are also included.

	Built.	Building.	Total.
<b>Aircraft carriers:</b>			
First line—			
United States.....	0	2	2
Great Britain.....	1	0	1
Japan.....	0	0	0
Second line—			
United States.....	1	0	1
Great Britain.....	3	2	5
Japan.....	1	12	13
<b>Cruisers (8,000 tons plus high speed):</b>			
United States.....	0	0	0
Great Britain.....	4	2	6
Japan.....	0	4	4
<b>Light cruisers (3,000 tons plus; 27 knots plus):</b>			
United States.....	0	10	10
Great Britain.....	40	2	42
Japan.....	10	11	21
<b>Destroyers (800-1,500 tons):</b>			
United States.....	281	0	281
Great Britain.....	185	5	190
Japan.....	53	39	92
<b>Submarines (500-1,000 tons):</b>			
United States.....	59	35	94
Great Britain.....	36	6	42
Japan.....	28	21	49
<b>Flotilla leaders (1,500 tons plus):</b>			
United States.....	0	0	0
Great Britain.....	16	2	18
Japan.....	0	0	0
<b>Fleet submarines (1,000 tons plus; 20 knots plus):</b>			
United States.....	3	3	6
Great Britain.....	6	2	8
Japan.....	0	25	25
<b>Colliers and oil tankers:</b>			
United States.....	29	0	29
Great Britain.....	67	0	67
Japan.....	10	4	14
<b>Destroyer tenders:</b>			
United States.....	7	2	9
Great Britain.....	7	0	7
Japan.....	0	0	0

<sup>1</sup> Construction held up, may not be built. Carriers are experimental and can be replaced. Japan's policy regarding first-line carriers which the treaty permits her to build is not known.

	Built.	Building.	Total.
<b>Hospital ships:</b>			
United States.....	4	0	4
Great Britain.....	2	0	2
Japan.....	0	0	0
<b>Mine sweepers:</b>			
United States.....	47	0	47
Great Britain.....	91	0	91
Japan.....	45	0	45
<b>Submarine tenders:</b>			
United States.....	7	1	8
Great Britain.....	9	0	9
Japan.....	3	2	5

In reference to the relative cost of the United States Navy under the treaty stipulations and the cost in the event the treaty had not been adopted, let me give the following:

(a) Cost of the Navy to-day—fiscal year 1923:

The withdrawals from the Treasury of the Navy Department during the fiscal year 1923 are estimated at \$347,486,925.30. There was appropriated for the support of the Navy during the fiscal year 1923 a slightly larger sum as follows:	
By naval appropriation bill.....	\$289,336,577
Scrapping naval vessels.....	5,000,000
Permanent and indefinite.....	3,433,672
Increase of compensation.....	537,120
	298,307,369
Increase Navy—old balances reappropriated, estimated.....	44,915,000
Shipping Board notes, face value.....	8,000,000
<b>Total.....</b>	<b>351,222,369</b>

(b) Cost of the Navy next year—fiscal year 1924:

The cash withdrawals from the Treasury for the Navy Department during the fiscal year 1924 are estimated roughly at \$331,000,000. (The cash withdrawals mentioned in this and the preceding subparagraph do not include certain amounts which will be expended by the Navy on account of the Veterans' Bureau, for which the Navy Department will be reimbursed.) The amounts carried in the appropriation bill for the fiscal year 1924 are as follows:

By naval bill.....	\$284,456,528
Permanent and indefinite.....	2,130,050
Increase of compensation.....	512,087
	297,098,675
Authorized transfers from naval supply account, etc., to increase Navy.....	35,450,000
<b>Total.....</b>	<b>332,548,675</b>

Compensation increase not carried in naval bill estimate.

(c) Estimated cost of the Navy this year if building program had not been stopped in accordance with the treaty for the limitation of armaments:

The figures included in the Budget for the fiscal year ending June 30, 1923, includes for the Navy Department and the Naval Establishment the sum of \$420,343,785.13. The Budget was made up from estimates submitted by the Navy Department prior to the Conference for Limitation of Armaments, and the figures quoted may, therefore, be considered as the approximate cost of the Navy during the fiscal year 1923 under the conditions noted.

(d) Estimated cost of completed Navy; that is, what it would have been in 1923:

In arriving at this estimated cost it is necessary to make certain assumptions. These are that the 1916 program would have been completed; that all ships would be in commission, with adequate personnel to man them; and that adequate shore establishments would also be maintained. Under these assumptions the total cost of the Navy in 1923 is estimated at \$529,000,000.

The treaty contains the following provisions and definitions:

"ART. V. No capital ship exceeding 35,000 tons standard displacement shall be acquired by or constructed by, for, or within the jurisdiction of any of the contracting powers.

"ART. VI. No capital ship of any of the contracting powers shall carry a gun with a calibre in excess of 16 inches.

"ART. VII. The total tonnage for aircraft carriers of each of the contracting powers shall not exceed in standard displacement, for the United States 135,000 tons; for the British Empire, 135,000 tons; for France, 60,000 tons; for Italy, 60,000 tons; for Japan, 81,000 tons.

"ART. VIII. The aircraft carrier tonnage in existence or building on November 12, 1921, shall be considered experimental, and may be replaced within the total tonnage limit prescribed in Article VII without regard to its age.

"ART. IX. No aircraft carriers exceeding 27,000 tons standard displacement shall be acquired by or constructed by, for, or within the jurisdiction of any of the contracting powers.

"However, any of the contracting powers may, provided that its total tonnage allowance of aircraft carriers is not



thereby exceeded, build not more than two aircraft carriers, each of a tonnage of not more than 33,000 tons standard displacement, and in order to effect economy any of the contracting powers may use for this purpose any two of their ships, whether constructed or in course of construction, which would otherwise be scrapped.

"ART. X. No aircraft carriers of any of the contracting powers shall carry a gun with a caliber in excess of 8 inches.

"ART. XI. No vessel of war exceeding 10,000 tons standard displacement, other than a capital ship or aircraft carrier, shall be acquired by or constructed by, for, or within the jurisdiction of any of the contracting powers. Vessels not specifically built as fighting ships nor taken in time of peace under government control for fighting purposes which are employed on fleet duties or as troop transports or in some other way for the purpose of assisting in the prosecution of hostilities otherwise than as fighting ships shall not be within the limitations of this article.

"No vessel of war of any of the contracting powers hereafter laid down, other than a capital ship, shall carry a gun with a caliber in excess of 8 inches.

"Capital ship: A capital ship, in the case of ships hereafter built, is defined as a vessel of war, not an aircraft carrier, whose displacement exceeds 10,000 tons standard displacement or which carries a gun with a calibre exceeding 8 inches."

"Aircraft carrier: An aircraft carrier is defined as a vessel of war with a displacement in excess of 10,000 tons standard displacement designed for the specific and exclusive purpose of carrying aircraft. It must be so constructed that aircraft can be launched therefrom and landed thereon, and not designed and constructed for carrying a more powerful armament than that allowed to it under Article IX or Article X as the case may be."

Aviation is such a recognized part of the naval service that arguments are no longer needed in its behalf. It is destined to increase in value and importance and with the improvements that are certain to take place it will become one of the strong arms of military operations, both for defense and attack. Without going further into the subject let me quote from two eminent sources.

From annual report of Secretary of the Navy Denby, 1922:

"The development of aviation as an integral part of the fleet, with types of aircraft suited to every need of the naval forces, has been the outstanding feature of the past year in naval aeronautics. The rapid strides that have been made in organization and development work have fully justified the establishment of the Bureau of Aeronautics, and the work of this bureau is also reflected in the general contribution that has been made to the advancement of industrial and commercial aviation in this country."

From annual report of Gen. John J. Pershing, Chief of Staff, 1922:

"No man can estimate with present certainty the value which can be ascribed in a few years to the possession of an adequate resourcefulness in the air. It is certain, however, that the influence of air power will become increasingly great and that the Nation can not afford to neglect this arm. The Air Service which we develop should be capable of offensive application. This does not mean that we must immediately build an Air Service that could take the offensive against any great power or group of powers. It does mean, however, that we should have a force that can take the immediate defensive, and that can, during a reasonable period of operations, expand to the strength required for an offensive. This is the basis of our present defense policies with all our arms and should be considered a minimum. A very important part in such a defensive would be the operations of an effective Air Service. We must not only be training flyers for reserve but we must actually make provision for a strength in serviceable planes which can meet this requirement. This reserve of planes we now lack, as we lack even the facilities for training the necessary reserve of personnel. The industries and the airways of our country are not prepared for an emergency. I earnestly hope, therefore, that early steps be taken to bring about the effective cooperation of States with the agencies of the National Government to the end that this vital need can be effectually filled."

On December 29, 1922, Secretary of State Hughes delivered at New Haven an address dealing with some aspects of our foreign policy. In this address he referred to the Washington conference. To Mr. Hughes is due the greatest measure of gratitude for the brilliant statesmanship he displayed in relation to the conference. To his frankness in avowing the aims to be achieved, his knowledge of conditions, and his sincerity in proclaiming the unselfish attitude of America are due, more

than to any other factors, the successful termination of the convention. It is a pleasure to quote those paragraphs of his address dealing with the treaties, in the making of which he took such a conspicuous and honorable part:

"When diarists and letter writers have their day in court, and every bit of paper is scrutinized, there will be nothing, I am sure, which will derogate from the present general appreciation of the spirit which animated that earnest endeavor to remove distrust and to furnish unassailable proofs of international good will.

"It was the fertile mind of Alexander Hamilton which first suggested the desirability of an agreement for the limitation of armament on the Great Lakes. In his memorandum to Washington—April 23, 1794—on points to be considered in the instruction to John Jay with respect to his mission to Great Britain, Hamilton said:

"It may be desired, and would it not be to our interest to agree, that neither party shall in time of peace keep up any armed force upon the Lakes, nor any fortified places nearer than — miles to the Lakes, except small posts for small guards—the number to be defined—stationed for the security of trading houses?"

"But this idea, which bore fruit in the Rush-Bagot agreement of 1817, suggestive as it was, was extremely limited and had reference to a particular situation and a local exigency.

"It was about 80 years later that the Emperor of Russia issued his rescript asserting that the armed peace of the time had become a crushing burden and that the putting 'an end to these incessant armaments' was 'the supreme duty' of all States. The resolution of the first Hague conference of 1899 amounted to nothing more than the expression of an aspiration, and the second peace conference at The Hague, in 1907, could get no further. These failures indicated the malevolent influences which, mocking at the endeavors of peacemakers and multiplying peace associations, finally brought upon mankind the greatest of all catastrophes.

"At the end of the Great War the completeness of the victory over the Central Powers and the realization by the Allies of the terrible cost of that victory apparently had at once simplified the problem through the removal of earlier menaces and given hope for a solution because of the deep longings of suffering and impoverished peoples for a lasting peace. It has been the keen desire of the people of the United States to give their help to this end. They have been opposed to alliances, but they have had no desire to withhold their cooperation wherever they believed there was a sound basis for it.

"The spirit, in which the Washington conference was called can not be better stated than in the words of President Harding in opening it:

"We wish to sit with you at the table of international understanding and good will. In good conscience we are eager to meet you frankly and invite and offer cooperation. \* \* \* I can speak officially only for our United States. Our hundred millions frankly want less of armament and none of war."

"The conference method of dealing with international problems—a method which the President strongly favored—made cogent appeal to the practical judgment of our people, and the specific application of this method to the endeavor to secure an agreement for the limitation of armament received the most earnest consideration. The time was ripe for the public announcement which was made on July 11, 1921, that 'the President, in view of the far-reaching importance of the question of limitation of armament, has approached with informal but definite inquiries the group of powers heretofore known as the principal allied and associated powers—that is, Great Britain, France, Italy, and Japan—to ascertain whether it would be agreeable to them to take part in a conference on this subject to be held in Washington at a time to be mutually agreed upon.'

"The most significant fact, however, in connection with this announcement was the suggestion that Pacific and far eastern questions should be considered in connection with this conference. This went beyond the mere matter of naval expenditures. The announcement said:

"It is manifest that the question of limitation of armament has a close relation to Pacific and far eastern problems, and the President has suggested that the powers especially interested in these problems should undertake, in connection with this conference, the consideration of all matters bearing upon their solution with a view to reaching a common understanding with respect to principles and policies in the Far East."

"There was the further statement that China had been invited to take part in the discussions relating to far eastern problems. Thus not only was a wider scope given to the pro-



posed conference than one simply for the limitation of armament, but, for reasons which reflection will suggest, this fact alone made possible the success of the conference.

"At the time of this announcement a most important conference was being held in London—the conference of prime ministers and representatives of the United Kingdom, the Dominions, and India, which convened on June 20, 1921. In his opening address to the imperial conference Mr. Lloyd-George referred 'to one of the most urgent and important of foreign questions—the relations of the Empire with the United States and Japan.' A subject of first importance was the question of continuing the Anglo-Japanese alliance. There had been doubt whether the notification to the League of Nations in July, 1920, constituted a denunciation of that agreement. Upon the opinion of the Lord Chancellor, it was concluded that notice of denunciation had not yet been given, and that the Anglo-Japanese alliance would lapse only at the expiration of 12 months from the time when such notice was given. In their opening speeches on June 21, 1921, Mr. Hughes, the Prime Minister of Australia, and Mr. Massey, the Prime Minister of New Zealand, speaking broadly, favored the renewal of the alliance. All expressed the desire that there should be friendly cooperation with the United States.

"In this country the prospect of the continuance of the alliance had caused no little uneasiness. The agreement had originally been prompted and it had been continued because of the attitude of Russia and Germany, but there was no longer fear of danger from those quarters. The American policy in the Far East was one of equal opportunity, and if there were to be cooperation in the recognition and application of this principle, there seemed to be no exigency requiring the continuance of the agreement. The question was pressed, and there was no satisfactory answer: 'Why, under existing conditions, should there be such an alliance?'

"Meanwhile, as Mr. Balfour has expressed it, 'a state of international tension' had arisen in the Pacific area. It was quite impossible to point to any definite issue which warranted the forebodings in which prophets of evil indulged. Those mischief-makers who seek to aggravate international difficulties and to make still heavier the burden of distrust, whose rumor factories are more provocative than armament, were busy inciting suspicion and ill feeling both here and in the East. It became manifest that it was an opportune time, indeed that it was necessary to have a frank discussion and to endeavor to clear away the clouds. There was instant appreciation of the fact that the hour had struck, not only to discuss limitation of arms but to do even a better thing in seeking to remove causes of misunderstanding. The combination of the two objects was the outstanding feature of the American proposal.

"The inclusion of Pacific and far eastern questions in the program of the conference naturally made it desirable that certain other powers which were especially interested in these questions should be invited to take part in their discussion, and accordingly, in addition to China, invitations for this purpose were extended to Belgium, the Netherlands, and Portugal.

"While, with respect to armament, the hope of accomplishment centered in the naval situation, it was deemed best not to exclude the discussion of land armament. We have looked with deep concern upon the maintenance of large military establishments by peoples already impoverished by the Great War, and have earnestly desired that this intolerable burden could be lightened. For ourselves, we had no problem of this sort. Our Army had been reduced. From approximately 4,000,000 men in the field and in training in the American Army at the time of the armistice, we had brought down our Regular Establishment to less than 180,000 men at the time of the conference. But while this subject was presented to the conference, it at once became apparent that Europe was not ready to limit land armament. I need not dwell on the causes for the feeling of insecurity that has oppressed the victors and filled the new European States with apprehension. Although the reduction of armament was one of the declared objects of the new international organization and lay close to the hopes of peoples, still, after prolonged consideration, the League of Nations has apparently come to the conclusion that nothing can be accomplished in this direction until the governments primarily concerned agree, and that they are not yet ready to agree.

"Let me recapitulate briefly the formal results of the conference. Four treaties were approved relating (1) to the limitation of naval armament, (2) to the use of submarines and poison gases, (3) to principles and policies in matters concerning China, and (4) to Chinese customs tariffs. Important resolutions were adopted (1) for a commission of jurists to consider amendments to the laws of war made necessary by new agencies of warfare; (2) for a board of reference for far east-

ern questions; and (3) with respect to various matters affecting China, such as extraterritoriality, foreign postal agencies, foreign armed forces, radio stations, unification of railways, reduction of Chinese military forces, publicity for existing commitments, and the Chinese Eastern Railway.

"Most important treaties, not technically a part of the work of the conference as such, but which were negotiated while the conference was in session and were facilitated by that fact, were (1) the four-power treaty between the United States, the British Empire, France, and Japan relating to their insular possessions and insular dominions in the Pacific Ocean. This provided for the termination of the Anglo-Japanese alliance. (2) The Shantung treaty between China and Japan, providing for the restoration to China of rights and interests in the Province of Shantung.

"In addition, while the conference was in session the negotiations which had previously been going on between the United States and Japan as to the island of Yap and the mandated islands in the Pacific Ocean north of the Equator resulted in a satisfactory agreement.

"During the difficult period of preparation for the conference we were equally harassed by the extravagant demands of dreamers and the pessimistic predictions of cynics. We were intent on certain definite and practical aims. We refused to surrender these aims either to those who were insistent upon the millennium or to those who told us that the sure result of our unintelligent efforts would be to bring about another war.

"Results of the conference: The most important results are those which are unwritten and imponderable—those that relate to sentiment and purpose, to good will and a better understanding. When there is friendship and confidence, treaties to maintain peace are of least importance; and where suspicion and hatred dominate the thought of peoples, it may be wise to interpose the mechanism of conciliation, but the best assurance of peace is lacking. If you would measure the work of the conference, contrast the present opinion as to peace in the East with the view that was widely held and constantly expressed before the conference was called. The mists which many called war clouds have been dispelled. Confidence has been restored, fears allayed, and a new feeling of respect and friendship engendered. Quite apart from specific engagements, it was worth all the efforts of the conference to produce a new state of mind with respect to our relations with the Far East. It will be the part of wisdom for our peoples to maintain this attitude and to frown upon those who seek to change it. Auto-suggestion has an important place in national as well as individual life, and nations intent on peace will find the ways of peace.

"When we come to consider the more tangible results of the conference and of the proceedings in connection with it—that is, with respect to treaties and transactions—we find abundant reason for gratification.

"1. The Shantung treaty became effective and is being carried out.

"2. The treaty between the United States and Japan relating to the mandated islands north of the Equator, including Yap, has been ratified and is in effect.

"3. The four-power treaty has received the assent of our Senate, has been ratified by the British Empire and by Japan, and is awaiting only the ratification of France, which it is expected will shortly be given.

"4. The naval treaty and the treaty as to submarines and poison gases have received the assent of the Senate of the United States and have been ratified by the British Empire and Japan. Ratifications by France and Italy are still needed, but are expected. (Note: Since this was written Italy has ratified.)

"5. The two Chinese treaties have been approved by the United States, the British Empire, and China. One of the houses of the Belgian Parliament has approved. There should not be a long delay in securing the necessary ratifications.

"6. The Commission of Jurists, which is to consider the amendment of the rules of international law respecting new agencies of warfare, is now sitting at The Hague.

"I am happy to say that at this time there seems no good reason to fear that any of the work of the conference will be lost.

"Proceedings pending ratification: The spirit of cooperation to which I have referred has been evidenced by the attitude of the governments since the conference. The naval treaty, of course, will not be in force until all the signatory powers have ratified and the ratifications have been exchanged, but pending this putting into effect of the treaty it is agreeable to note that the powers have been making their plans in conformity to its terms.



"United States: Immediately after the signing of the treaty the Government of the United States suspended all work on ships under construction, which will be scrapped when the treaty becomes effective. With the exception of the *Connecticut*, which is about to be placed out of commission, all battleships that must be disposed of under the terms of the treaty are now out of commission and are ready to be scrapped.

"British Empire: By the treaty the British Empire abandoned the construction of the four *Hoods*, which have been projected. I am advised that of the 20 other capital ships which it was provided in the treaty should be scrapped, 14 have either been already sold and removed by ship-breaking firms for breaking up or have been rendered incapable of war service, and two more of these ships will be rendered incapable of war service before the end of this month.

"Japan: I am informed that Japan has suspended work on the battleships under construction for the scrapping of which the treaty provides; also that certain preliminary preparations have been made so that the other ships destined by the treaty for scrapping may be scrapped as soon as the treaty becomes effective.

"The treaty did not call for any scrapping of ships by France or Italy.

"In short, pending the exchange of ratifications of the naval treaty, the signatory powers are not only not ignoring its provisions but are making arrangements faithfully to carry out its terms.

"New construction: The retention by Japan of the completed post-Jutland ship *Mutsu* required certain compensatory changes in the original proposals. Thus the United States, under the treaty, is entitled to complete two ships of the *West Virginia* class. These are being completed, and it is believed that both of these vessels will be commissioned with the coming fiscal year. Upon their completion the United States is to scrap the *North Dakota* and the *Delaware*. Great Britain is also entitled under the treaty and is proposing to build two new ships, and on their completion four of the older ships, the *Thunderer*, *King George V*, the *Ajax*, and the *Centurion*, are to be scrapped.

"It is to be borne in mind that with these exceptions Great Britain and Japan, as well as the United States, abandoned their building programs for capital ships. This embraced the rest of Japan's 8-S program, and also the four *Hoods* projected by Great Britain, which would have been the greatest of all ships with a tonnage believed to be about 49,000 each. The new ships which may be constructed under the treaty, or in replacement of the retained ships, may not exceed 35,000 tons (35,560 metric tons).

"Reconstruction or modernization: The naval treaty provides that no retained capital ships or aircraft carriers shall be reconstructed except for the purpose of providing means of defense against air and submarine attack. Reconstruction for this purpose is subject to the rules that the contracting powers may equip existing tonnage with bulge or blister or anti-air attack deck protection providing the increase of displacement thus effected does not exceed 3,000 tons (3,048 metric tons) displacement for each ship. It is also provided that no alterations in side armor, in caliber, number, or general type of mounting of main armament is to be permitted. There are two exceptions to this—one in the case of France and Italy and another in the case of the British ship *Renown*, the alterations to the armor of that ship having been commenced before the conference and temporarily suspended.

"I am advised that the competent authorities of our Government have no information that any power, pending the exchange of ratifications of the treaty, is proceeding contrary to these provisions.

"When the conference was called Great Britain and the United States were pursuing different policies as to naval construction. Our Navy had adopted the policy of constructing new capital-ship tonnage without attempting to modernize the older tonnage. Great Britain had adopted a policy of modernizing her older capital ships and she began to put this policy into effect during the war. The result is that in a considerable number of British ships bulges have been fitted, elevation of turret guns increased, and turret loading arrangements modified to conform to increased elevation. By the reconstruction clauses of the treaty this system is only partially stopped. It is recognized that it is entirely legitimate to allow suitable provision to be made in the older ships for defense against submarine and air warfare. Since the signing of the treaty, and keeping strictly within its terms, Great Britain has continued her policy of modernizing her older ships to meet the dangers of air and torpedo attack. On the other hand, it must be remembered that with the completion of the two ships of the *West Virginia* class we shall have three post-Jutland ships with

eight 16-inch guns each, and also the *Tennessee* and *California*, of 32,300 tons with twelve 14-inch guns, which were completed in 1921.

"So far as the United States is concerned the ground of complaint seems to be not of the treaty standard but of the fact that the appropriations which have thus far been allowed are not deemed by our experts to permit the personnel needed to maintain adequately the treaty standard and do not provide for the modernization work on older ships to protect against air and submarine attack; that is, work which may be done under the provisions of the treaty by the United States as well as by other powers.

"Personally, I am strongly in favor of maintaining an efficient Navy up to the treaty standard. This does not involve any injurious competition in battleships but simply makes possible the work and equipment which maintain the security and relative position contemplated by the treaty. There is another reason for this course. If we enter another conference, we should have an assured basis for a proper agreement by maintaining our existing relative strength. We have established a fair ratio based on existing strength as it stood at the time of the conference, and this ratio should not be altered to our prejudice.

"Policy of the naval treaty: The policy of limiting armaments by international agreement has widespread approval. There is no doubt that it has the support of a preponderant sentiment in this country. It seems to be the only way to avoid either a self-imposed sacrifice of security by independent limitation or a competition involving most wasteful expenditures and provocative of war. If you wish peace, you must pursue the paths of peace. Reasonable precaution in a prudent preparation for contingencies is one thing; a bellicose disposition and threatening gestures and preparation are quite different. Competition has its dangers for those who live under constitutional government where the purse strings may be closely held. Those who constantly insist that we should go our own way, scorning the agreements of peace, using our great resources to establish a superiority in armament which would brook no resistance, need a word of caution. It is very important not to wake up the wrong man. At the last it may turn out that you have stirred up fears and corresponding activities elsewhere, while your own people refuse to respond to your stimulus. While power and resources may be abundant, the power may not be exercised and you may lose the race which your bravado has encouraged. To a peace-loving democracy what could be more agreeable than reasonable security under an agreement which halts a wasteful competition in armament?

"The question really comes, not to the advisability of such an agreement in the abstract but to the fairness of a particular agreement. One indication that the present naval treaty is fair to all may perhaps be found in the fact that in each of the three countries—the United States, Great Britain, and Japan—there were loud complaints that the treaty was to the advantage of the others. As all could not be right it may be proper to assume that what the naval authorities of these countries in attendance at the conference approved was relatively fair. The definitions with respect to standards of measurement and displacement are the same for all powers. No unfair advantage is given to anyone.

"There was general agreement that capital ship tonnage should be used as the measurement of strength of the respective navies. Of course, there would be differences of view as to any matter of this sort, but this was the opinion of our experts and of others. With this as a basis for the agreement, we took the existing strength of the different navies as they were. What could be fairer than that? If one power could better its position, so could another, and the race would inevitably continue. We insisted, and this was entirely reasonable, that vessels under construction should be counted simply to the extent of the work done at the date of the conference.

"The conference put a stop to competition in capital ships—the great fighting ships of the rival navies. It put an end to the existing competitive programs in capital ships. It established the ratio based on existing strength and took the measure of that strength as shown by the proportion of capital ships built and in course of construction.

"Was it not better that at a time of considerable tension instead of threatening Japan by a proposal to fortify Guam we should agree that for 15 years we should rest content with the situation with which we had been satisfied for the past 23 years? And it should be remembered that in the same treaty Japan undertakes to maintain the status quo in the Kurile Islands, the Bonin Islands, Amami-Oshima, the Loochoo Islands, Formosa, and the Pescadores, and any other insular possessions she may hereafter acquire.



"My conclusion is that the naval treaty will stand the test of analysis and fair statement, taking all the pertinent facts into consideration, and that it will be a desirable safeguard and not a menace to our security and at the same time an important assurance of peace. These happy results will be obtained, however, on the condition that we act toward other nations in the same spirit of reasonableness and friendship that we expect them to exhibit toward us.

"Auxiliary vessels—light cruisers, etc.: The original American proposal contemplated a limitation of auxiliary combatant craft in a ratio similar to that recognized by the treaty as to capital ships. It was proposed that the tonnage of auxiliary surface combatant craft, including light cruisers, flotilla leaders, and destroyers, should be as follows: For the United States, 450,000 tons; for the British Empire, 450,000 tons; for Japan, 270,000 tons. Unfortunately, this limitation was not secured. I shall not review the reasons for this, but I may say that the failure is not attributable to us. The American position is just the same as it was at the conference, and we should welcome the opportunity to make the agreement upon this subject that we then proposed. So far as I am able to see, the difficulties that then stood in the way of such an agreement between the powers signatory to the treaty still stand.

"As to light cruisers, the United States is not as well supplied as it should be, but the treaty does not interfere with adequate provision by the United States to supply this want, and it should be supplied. This may be done on a basis which, I have no doubt, all powers would recognize as reasonable and without starting an injurious competition. Moreover, at the worst, it should be remembered that competition in combatant craft of not more than 10,000 tons with 8-inch guns is a very different thing than unlimited competition in the monster battleships of over 30,000 tons and which in the case of the projected *Hoods* were running to nearly 50,000 tons.

"Fortifications: Failing to find unfairness in these provisions of the treaty, there has been some criticism of the agreement to maintain the status quo with respect to fortifications and naval bases in the Pacific Ocean. The United States, British Empire, and Japan agree to maintain this status quo in their respective territories and possessions specified as follows:

"(1) The insular possessions which the United States now holds or may hereafter acquire in the Pacific Ocean, except (a) those adjacent to the coast of the United States, Alaska, and the Panama Canal Zone, not including the Aleutian Islands, and (b) the Hawaiian Islands;

"(2) Hongkong and the insular possessions which the British Empire now holds or may hereafter acquire in the Pacific Ocean, east of the meridian of 110° east longitude, except (a) those adjacent to the coast of Canada, (b) the Commonwealth of Australia and its Territories, and (c) New Zealand;

"(3) The following insular territories and possessions of Japan in the Pacific Ocean, to wit, the Kurile Islands, the Bonin Islands, Amami-Oshima, the Loochoo Islands, Formosa and the Pescadores, and any insular territories or possessions in the Pacific Ocean which Japan may hereafter acquire.

"With respect to the United States this means that we can not increase our fortifications and naval bases in the Philippines, Guam, and the Aleutian Islands. We are free to add to our fortifications and naval bases in the Hawaiian Islands and in the islands adjacent to the coast of the United States, Alaska, and the Panama Canal Zone, except the Aleutian Islands.

"It is hardly necessary to say that every naval strategist has looked at Guam as an island of great strategic value. In fact, its position presents such opportunities that commensurate fortifications and naval facilities, however peaceful might be our actual intent, could hardly fail to be regarded as a menacing gesture of no slight consequence.

"But while naval facts are important, political facts are just as important. The strategist will accomplish nothing without his Congress. The political consequences of the action he desires can not be ignored. We have heard so much from naval experts about Guam that I must refer to what Senator LOPEZ said about this island during the debate in the Senate on the naval treaty. He said that he had been 'a good deal amused at the agony of apprehension which some persons have expressed in regard to Guam.' We had taken that island in the Spanish-American War; it was taken by the cruiser *Charleston*. But we had so little interest in the island that we had never passed any legislation to provide for its government. It had been left in the hands of the Navy which captured it. The captain of the ship represented the captors and ruled the island. The Senator added that we had never fortified it and nobody would vote spending money in fortifying it.

"While the three great naval powers are not under an agreement as to limitation upon the total tonnage of auxiliary com-

batant craft, it ought to be possible to arrange a *modus vivendi* which would preclude a wasteful and unnecessary competition. While plans are now being made by other powers for new construction of auxiliary combatant craft, there is nothing that can be called in any degree alarming. The point of difficulty, so far as the United States is concerned, is that there is not a proper balance in its Navy because of the lack of light cruisers, but as I have said this could properly be remedied.

"Pacific and far eastern questions: The indirect result of the conference in the Shantung settlement was, as I have said, of controlling importance. The four-power treaty in the simplest manner solved a great problem while pledging nothing contrary to our traditions. It created the atmosphere of peace and confidence in friendly relations, and at the same time provided for the immediate termination of the Anglo-Japanese alliance, thus disposing of one of the most difficult questions relating to the Far East.

"The Chinese treaties give China a Magna Charta. We could not provide stability for China, but we did provide assurances of respect for her sovereignty, independence, and territorial and administrative integrity, and the full and most unembarrassed opportunity to develop and maintain for herself an efficient and stable government. We have done all that we can do for China short of the interference which she resents and we condemn.

"For the first time the principle of the open door, or equality of commercial opportunity, in its application to China, has the sanction of a precise definition in appropriate treaty provisions. We were not content with a general statement of principles; we proceeded to particulars.

"The Washington conference, if its work continues to enjoy the same support in public sentiment as was so emphatically expressed at the time, will not only afford a better assurance of peace and the continuance of friendly relations, but will serve to illustrate the method of effective international cooperation which fully accords with the genius of American institutions."

Mr. Speaker, my term of service in this body is drawing to a close. For eight years I have had the honor of representing the Long Island district, a period full of interesting and stirring events when patriotism rose above partisanship. It has been a personal pleasure to have associated with you as colleagues and a privilege to have known you as friends. I feel deeply indebted to you all for your courtesy, your kindly consideration, and the generosity extended to me while I have been among you, and I tender my thanks to you with sincere gratitude. The days of our comradeship, consecrated by service to the Nation and cemented by fellowship and mutual confidence, will remain memories which the fleeting years will not efface.

I have felt it a signal honor to have served on the Committee on Naval Affairs during the stormy times of the last few years. The memory of Chairman PADGETT, courteous and kindly, whose career was marked by ability and fidelity, is a most happy one.

For my dear friend Chairman BUTLER my feeling lies deeper than the mere association of one colleague with another. It is inspired by sincere affection. His generosity, his sympathy, and his unselfish consideration for others has endeared him to all who have had the pleasure of an intimate acquaintance, and in severing our official ties I extend to him my felicitations and congratulations upon the great service he has rendered the Navy.

To my colleagues on the Naval Committee, gentlemen who have striven earnestly and conscientiously in the fulfillment of their duty, I thank you for your cooperation. My colleagues, let us never forget that the American Navy is the very bulwark of our liberties, the protection of our national policies. Throughout the years of its untarnished history it has ever been ready to defend the flag it carried. Keep it strong, keep it virile, keep it efficient. The United States Navy means more than crews and ships, more than power of shell and might of steel; it connotes the will and the purpose of the Republic itself; it epitomizes the spirit of America and binds us to a closer and more resolute union. It is the symbol not only of daring but of sacrifice, not only of courage but of constructive endeavor, constant in purpose and steadfast to the end. To the fertility of resource, the unswerving devotion to duty, and the heroic bravery of officers and men of the service no higher tribute can be paid than by the simple words, All is well with the American Navy.

Mr. LINEBERGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California moves to strike out the last word.

Mr. LINEBERGER. Mr. Chairman and gentlemen of the committee, I was not present on the floor of the House to-day when the gentleman from Minnesota [Mr. KNUTSON]—



Mr. BRITTEN. Mr. Chairman, I make the point of order that the gentleman's remarks are not being confined to the bill. The CHAIRMAN. The Chair sustains the point of order.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes out of order.

The CHAIRMAN. Is there objection to the request of the gentleman?

Mr. BRITTEN. Reserving the right to object, Mr. Chairman, if we get into a war debate we shall be talking here for a month. My only desire is that from now on we shall confine our remarks to the bill.

Mr. LINEBERGER. The gentleman did not object when the gentleman from Minnesota consumed 15 minutes of the time of the House to-day.

Mr. BRITTEN. I withdraw the reservation, Mr. Chairman.

The CHAIRMAN. The reservation of objection is withdrawn.

Mr. STAFFORD. May I inquire if we are going to have general debate in the consideration of this bill at this late hour? We might as well rise in a few minutes.

Mr. BUTLER. I will move to rise in a few minutes.

Mr. STAFFORD. I understood the gentleman from Minnesota [Mr. KNUTSON] was privileged to discuss something outside of the bill.

Mr. NEWTON of Minnesota. If the gentleman refers to me, I will say that the remarks he referred to were made by my colleague, Mr. KNUTSON.

Mr. STAFFORD. I think my enunciation is clear enough to distinguish "KNUTSON" from "NEWTON."

Mr. LINEBERGER. Mr. Chairman, I was not present in the House when the gentleman from Minnesota [Mr. KNUTSON] to-day unfurled the German imperial standard, as it were, here on the floor of this House. He made a speech such as I hope has never been made in this House before and such as I hope will never be sounded within these precincts again. [Applause.]

The gentleman from Minnesota perhaps lies within the class to which I referred several days ago in certain remarks which I made on the floor, after having inserted in the Record excerpts from a certain letter on the Ruhr situation, concerning which the gentleman spoke to-day, and I am going to read those remarks so that the House may judge for itself. I read from the Record of February 8, 1923:

Mr. LINEBERGER. Mr. Chairman and gentlemen of the House, I have simply had this excerpt of a letter from a French soldier, which you have just heard, read into the Record as something of a supplement to the views which I sought to present on the floor of this House day before yesterday. I recognize the fact that there are gentlemen in this country, and perhaps on the floor of this House, which the CONGRESSIONAL RECORD of April 5, 1917, will show not to have been in accord with the great idea which moved this great Nation of ours to enter into the war to save civilization, and which did save civilization. These were against our entering the war, and, quite consistently, voted against the declaration of war against the Imperial German Government. I recognize the fact that those of us who had the high privilege of serving in that war do not owe that privilege to the votes of these gentlemen. It was only natural to expect that they would not avail themselves of the privilege to fight which they denied others, and, with one or two notable exceptions, this was true. It is perfectly consistent for these gentlemen to now oppose the position I have taken in pleading the cause of France, and I have no doubt that such opposition as my views may receive here will largely come from that element on the floor of this House. These gentlemen are at least consistent, although I am sorry to say they are as ill-advised now as then and, incidentally, as much in the minority. [Applause.]

It is indeed more than a coincidence that the three gentlemen, Mr. LONDON, Mr. VOIGT, and Mr. KNUTSON, who have seen fit—and they are within their privileges, I will admit—to take a very marked and pronounced pro-German attitude in this body all fall well within the category which I have described. Only this morning from the Washington Post I cut out this clipping. It is very apropos to the subject:

VOIGT, of Wisconsin, offers a resolution in the House protesting against the French Ruhr occupation as an act of war and dunning France for the debt. Statesman of marked consistency in abhorrence of acts of war, he having voted against the well-known one of April 6, 1917. Born in Germany? Go to the head of the class.

And as to the gentleman from Minnesota [Mr. KNUTSON], perhaps it would be quite proper to declare that he be promoted at once to be second to the head of the class. The remarks of the gentleman from New York [Mr. LONDON], the gentleman from Wisconsin [Mr. VOIGT], and the gentleman from Minnesota [Mr. KNUTSON] might fall upon sympathetic ears in Russia, Germany, or Norway perhaps; but they find little sympathy in the United States of America, lest it be in the "Little Germany" of certain congressional districts, which I will not mention; it is not necessary.

Now I quite agree with the views of my colleague and friend, the gentleman from North Carolina [Mr. BULWINKLE]. I endorse every word he says. He served gallantly at the front,

participating in many battles, and he knows what he is talking about. I know that gentlemen like Mr. KNUTSON, of Minnesota, will say the war is over. I will say to the gentlemen of the House that the war never began for gentlemen like the gentleman from Minnesota. Those of us who had the high privilege of serving in some capacity in that great war to save civilization—and I do not refer alone to those who happened to wear the uniform—owe nothing to such gentlemen. Therefore, so far as I am concerned, I say to the House and to the country that Mr. KNUTSON represents only his own pro-German views and perhaps those of that small minority to which I have referred, and it would have been in better taste had he delivered his speech in his district in Minnesota, for which it was no doubt intended. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman from California yields back the remainder of his time. The Clerk will read.

The Clerk read as follows:

TO CREDIT CERTAIN OFFICERS WITH ACTIVE DUTY PERFORMED SINCE RETIREMENT.

SEC. 4. That all retired commissioned and warrant officers of the United States Navy and Marine Corps who served on active duty in the Navy and Marine Corps of the United States during the war with Germany shall be credited with all active duty performed since retirement during the period from April 6, 1917, to March 8, 1921, in the computation of their longevity pay.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word, and I claim the floor.

Mr. BUTLER. Mr. Chairman, I move the committee do now rise.

The CHAIRMAN. The gentleman from Pennsylvania moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 4137) to authorize the transfer of certain vessels from the Navy to the Coast Guard, had come to no resolution thereon.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 3169. An act to equalize pensions of retired policemen and firemen of the District of Columbia, and for other purposes.

S. 2531. An act to create a board of accountancy for the District of Columbia, and for other purposes.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 5224. An act to authorize the Secretary of the Navy to certify to the Secretary of the Interior, for restoration to the public domain, lands in the State of Louisiana not needed for naval purposes.

H. R. 13046. An act authorizing the Secretary of the Treasury to convey to the city of Wilmington, N. C., marine hospital reservation.

H. R. 13760. An act to amend an act entitled "An act to authorize the construction of drawless bridges across a certain portion of the Charles River in the State of Massachusetts," approved November 14, 1921.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted to Mr. BURTON, for February 16 and 17, on account of important business.

FEDERAL FORESTRY BILL.

Mr. GERNERD. Mr. Speaker, I ask permission to have reprinted 500 copies of House Document No. 558.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to have reprinted 500 copies of House Document No. 558. Is there objection?

Mr. WINGO. What is the document?

Mr. GERNERD. A letter from the President relating to reforestation.

The SPEAKER. Is there objection?

There was no objection.

TRANSFER OF H. R. 14183 TO THE UNION CALENDAR.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that H. R. 14183, reported by the Committee on Public Buildings and Grounds, be transferred from the Private to the Union Calendar. It is a bill which authorizes the Secretary of the Treasury to sell a small strip of land belonging to the Federal Government. I think it really belongs on the Union Calendar.

The SPEAKER. The gentleman from Illinois asks unanimous consent that H. R. 14183 be transferred from the Private Calendar to the Union Calendar. Is there objection?

Mr. STAFFORD. Let it go over for to-night.

Mr. DENISON. I hope the gentleman will not object.

Mr. STAFFORD. For the time being, Mr. Speaker, I will object.

#### INTERSTATE AND FOREIGN COMMERCE COMMITTEE.

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be allowed to sit during the sessions of the House during the remainder of this session.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the Committee on Interstate and Foreign Commerce be granted leave to sit during the sessions of the House. Is there objection?

Mr. GARRETT of Tennessee. For how long?

Mr. WINSLOW. I said during the remainder of the session. Ten days will be plenty.

The SPEAKER. Is there objection?

There was no objection.

#### ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 369. An act for the relief of the owner of Old Dominion Pier A.

H. R. 10529. An act for the relief of Harry E. Fiske.

H. R. 7583. An act for the relief of Henry Peters.

H. J. Res. 440. Joint resolution to satisfy the award rendered against the United States by the Arbitral Tribunal established under the special agreement concluded June 30, 1921, between the United States of America and the Kingdom of Norway.

#### HOOR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, may I ask what business will be taken up to-morrow?

Mr. MONDELL. We hope to finish this bill now before the House, and the omnibus Post Office bill—or, at least, to make headway with the omnibus Post Office bill.

Mr. GARRETT of Tennessee. There will be nothing more unless there should be conference reports?

Mr. MONDELL. No.

The SPEAKER. The Chair will recognize the gentleman from Michigan [Mr. CRAMTON] at the opening of the session.

Mr. GARRETT of Tennessee. Of course.

Mr. BLANTON. Reserving the right to object, may I ask whether or not what is known as the teachers' salary bill will be given an opportunity to be taken up at this session?

The SPEAKER. That is not a parliamentary inquiry.

Mr. BLANTON. I am asking for information. As one Member of the House I am hoping that it will.

The SPEAKER. The Chair can not give the gentleman that information.

Mr. BLANTON. If I can not get any information on that subject, I will object.

The SPEAKER. The gentleman from Texas objects.

#### ADJOURNMENT.

Mr. MONDELL. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until Friday, February 16, 1923, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

993. A letter from the Secretary of War, transmitting a draft of proposed legislation to settle pressing claims in admiralty, presented in part through the State Department by foreign governments on behalf of owners of vessels damaged by craft in the service of the War Department during the war (H. Doc. No. 576); to the Committees on Appropriations and Military Affairs and ordered to be printed.

994. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of State for the fiscal year ending June 30, 1924, amounting to \$244,300, and deficiency appropriations for the fiscal years 1918 and 1919 amounting to \$169.47; in all,

\$244,469.47 (H. Doc. No. 577); to the Committee on Appropriations and ordered to be printed.

995. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Commerce for the fiscal year ending June 30, 1923, amounting in all to \$850,000, together with certain proposed legislation (H. Doc. No. 578); to the Committee on Appropriations and ordered to be printed.

996. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior for the fiscal year ending June 30, 1923, amounting to \$183,000 (H. Doc. No. 579); to the Committee on Appropriations and ordered to be printed.

997. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy submitting an estimate of appropriation in the sum of \$16,940.61 to pay claims which he has adjusted, and which require an appropriation for their payment (H. Doc. No. 580); to the Committee on Appropriations and ordered to be printed.

998. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the Post Office Department for the fiscal year ending June 30, 1923, amounting to \$2,325,000 (H. Doc. No. 581); to the Committee on Appropriations and ordered to be printed.

999. A communication from the President of the United States, transmitting a communication from the Secretary of War submitting an estimate of appropriation in the sum of \$848,067.29 to settle in full all claims of the American Red Cross against the War Department and which require an appropriation for its payment (H. Doc. No. 582); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 13239. A bill authorizing the Secretary of War to transfer to the town of Kittery, Me., for park purposes, all right and title now vested in the United States to the entire Government reservation known as Fort McClary, in said Kittery; with an amendment (Rept. No. 1609). Referred to the Committee of the Whole House on the state of the Union.

Mr. HICKEY: Committee on the Judiciary, H. R. 14324. A bill to amend section 107 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as heretofore amended; without amendment (Rept. No. 1611). Referred to the House Calendar.

Mr. HICKEY: Committee on the Judiciary. H. R. 6376. A bill to amend the act establishing the eastern judicial district of New York; with an amendment (Rept. No. 1621). Referred to the House Calendar.

Mr. KLINE of Pennsylvania: Committee on Election of President, Vice President, and Representatives in Congress. H. J. Res. 220. A joint resolution proposing an amendment to the Constitution of the United States; without amendment (Rept. No. 1613). Referred to the House Calendar.

Mr. ANDREWS of Nebraska: Committee on Election of President, Vice President, and Representatives in Congress. H. R. 14186. A bill fixing the date for the beginning of regular sessions of Congress; without amendment (Rept. No. 1614). Referred to the House Calendar.

Mr. ANDREWS of Nebraska: Committee on Election of President, Vice President, and Representatives in Congress. H. J. Res. 252. A joint resolution proposing an amendment to the Constitution of the United States; without amendment (Rept. No. 1615). Referred to the House Calendar.

Mr. LANGLEY: Committee on Public Buildings and Grounds. S. J. Res. 218. A joint resolution to create a commission to consider the proposal of a central building for art and industry in the District of Columbia; without amendment (Rept. No. 1616). Referred to the House Calendar.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. J. Res. 347. A joint resolution authorizing the transfer to the jurisdiction of the Commissioners of the District of Columbia of a certain portion of the Anacostia Park for tree nursery purposes; without amendment (Rept. No. 1619). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 13961. A bill authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of beneficiaries of the United States Public Health Service, and for other purposes; without amendment



(Rept. No. 1620). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. S. 4092. An act providing for the admission into the United States of certain refugees from near eastern countries; with an amendment (Rept. No. 1621). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 13596. A bill providing for the erection of a post office and public building at Belding, Mich.; without amendment (Rept. No. 1622). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 14039. A bill authorizing the acquisition of a site and the erection of a public building at Keytesville, Mo.; without amendment (Rept. No. 1623). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 14183. A bill to authorize the Secretary of the Treasury to sell a portion of the Federal building site in the city of Duquoin, Ill.; without amendment (Rept. No. 1617). Referred to the Committee of the Whole House.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 12751. A bill to convey to the Big Rock Stone & Construction Co. a portion of the hospital reservation of United States Veterans' Hospital No. 78 (Fort Logan H. Roots) in the State of Arkansas; without amendment (Rept. No. 1618). Referred to the Committee of the Whole House.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RHODES: A bill (H. R. 14350) for the control of the flood waters of the Mississippi River and its tributaries; to the Committee on Flood Control.

By Mr. ROSENBLOOM: A bill (H. R. 14351) to authorize bridging the Ohio River at Moundsville, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. FOCHT: A bill (H. R. 14352) to amend the act of Congress approved September 6, 1922, relating to the discontinuance of the use as dwellings of buildings situated in alleys in the District of Columbia; to the Committee on the District of Columbia.

By Mr. RAKER: A bill (H. R. 14353) requiring railway and railroad companies engaged in interstate commerce to reimburse employees for property losses sustained by moving terminals or division points; to the Committee on Interstate and Foreign Commerce.

By Mr. TINKHAM: A bill (H. R. 14354) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia," and for other purposes; to the Committee on the District of Columbia.

By Mr. BURTON: A bill (H. R. 14355) for the purchase of a site and the erection of a Federal building at Cleveland, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. FESS: A joint resolution (H. J. Res. 447) to provide for the participation of the United States in the observance of the one hundredth anniversary of the enunciation of the Monroe doctrine and of the ninety-second anniversary of the death of James Monroe; to the Committee on Industrial Arts and Expositions.

By Mr. CONNALLY of Texas: A joint resolution (H. J. Res. 448) providing for the appointment of a joint committee of the Senate and House of Representatives to investigate the organization, activities, and administration of the Veterans' Bureau and of the manner in which the laws of Congress relating to invalid and disabled veterans have been and are being administered; to the Committee on Rules.

By Mr. HAWLEY: A joint resolution (H. J. Res. 449) for the relief of the city of Astoria, Oreg.; to the Committee on Ways and Means.

By Mr. FISH: A resolution (H. Res. 532) providing for the appointment of a committee of six Members elect of the Sixty-eighth Congress to amend the rules of the House of Representatives; to the Committee on Rules.

By Mr. RODENBERG: A resolution (H. Res. 533) increasing the salaries of James Coates, Benjamin F. Jones, Arthur Lucas, and Albert Scott; to the Committee on Accounts.

By the SPEAKER (by request): Memorial of the Legislature of the State of Iowa, favoring the measure to increase the maxi-

mum amount which can be loaned to any one person, as provided in the Federal farm loan act, from \$10,000 to \$25,000; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of South Dakota, favoring the immediate development of the Great Lakes-St. Lawrence deep waterway; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Pennsylvania, favoring the use of the modern mail-tube system; to the Committee on the Post Office and Post Roads.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 14356) authorizing the United States Employees' Compensation Commission to take jurisdiction of the application of Pearl Mason; to the Committee on Claims.

By Mr. HOGAN: A bill (H. R. 14357) to advance Stephen A. Farrell on the retired list of the United States Navy; to the Committee on Naval Affairs.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 14358) for the relief of John R. Kissinger; to the Committee on Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 14359) granting a pension to Mattie Davidson; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14360) granting a pension to Louisa Woods; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7304. By Mr. ANSORGE: Petition of Automobile Merchants Association (Inc.), New York City, favoring passage of Senate bill 4202 providing for a national police bureau; to the Committee on the Judiciary.

7305. Also, petition of the Bobbins-Ripley Co., New York City, urging passage of section 11 of Senate bill 4137 to relieve war losses due to Government agencies on contract with Navy Department; to the Committee on Naval Affairs.

7306. Also, petition of M. M. Giles, New York City, urging passage of House bill 13298 providing for the extension of the benefits of the war risk insurance act and vocational rehabilitation act to veterans of all wars alike and their dependents; to the Committee on Interstate and Foreign Commerce.

7307. By Mr. BARBOUR: Resolution adopted by Daylight Post, No. 229, American Legion, San Francisco, Calif., urging the suppression of the Ku-Klux Klan; to the Committee on the Judiciary.

7308. By Mr. BULWINKLE: Petition of Dr. W. J. Martin, president of Davidson College, North Carolina, relating to an appropriation for the Reserve Officers' Training Corps; to the Committee on Appropriations.

7309. By Mr. CRAMTON: Petition of Ferdinand Wolf and other residents of Palms, Mich., urging passage of the resolution to give aid to the people of Germany and Austria; to the Committee on Foreign Affairs.

7310. By Mr. CULLEN: Petition of International Typographical Union, Indianapolis, Ind., opposing the passage of the ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

7311. By Mr. DARROW: Petition of Concord School Council, Fraternal Patriotic Americans, of Germantown, Philadelphia, Pa., favoring restricted immigration; to the Committee on Immigration and Naturalization.

7312. Also, petition of F. D. Pastorius Council, No. 1, Order of Independent Americans, of Germantown, Philadelphia, Pa., and Reserve Council, No. 253, Order of Independent Americans, of Philadelphia, Pa., for restricted immigration; to the Committee on Immigration and Naturalization.

7313. By Mr. GRAHAM of Pennsylvania: Petition of the Philadelphia Board of Trade, opposing Senate bill 4243, providing credit to Germany with which to buy raw materials; to the Committee on Banking and Currency.

7314. By Mr. JOHNSON of Washington: Petition of various citizens of Tacoma, Wash., favoring repeal of tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7315. By Mr. KIESS: Petition of the Lumber City Council, No. 831, Order of Independent Americans, of Williamsport, Pa., relative to immigration legislation; to the Committee on Immigration and Naturalization.

7316. By Mr. KISSEL: Petition of Central Trades and Labor Council, Greater New York and vicinity, favoring the passage of Senate bill 3136, known as the teachers' salary bill; to the Committee on the District of Columbia.

7317. By Mr. NEWTON of Minnesota: Petition signed by Theo. J. E. Fomnessen and other residents of Minneapolis, Minn., indorsing joint resolution purporting to extend immediate aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

7318. By Mr. ROGERS: Petition adopted at the town meeting, Carlisle, Mass., urging Congress to set up some agency which shall have the power to fix a maximum price on coal; to the Committee on Interstate and Foreign Commerce.

7319. By Mr. SMITH of Idaho: Petition by settlers on Twin Falls north side project, Idaho, favoring a reduction of freight rates; to the Committee on Interstate and Foreign Commerce.

7320. Also, petition by settlers on Twin Falls north side project, Idaho, favoring a reduction of freight rates; to the Committee on Interstate and Foreign Commerce.

7321. By Mr. TAGUE: Petition of Court Italy, No. 142, Foresters of America, and Loggia Unione E Progresso, Sons of Italy, all of Boston, Mass., against the passage of House bill 14273 further restricting immigration; to the Committee on Immigration and Naturalization.

## SENATE.

FRIDAY, February 16, 1923.

(Legislative day of Tuesday, February 13, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

### REORGANIZATION OF EXECUTIVE DEPARTMENTS (S. DOC. NO. 302).

Mr. SMOOT. Mr. President, I have here a complete statement of the organization of our Government departments as they exist to-day, together with a complete statement of the reorganization of the departments of the Government as recommended by the President and Cabinet at the request of the Joint Committee on Reorganization. I ask that the statement be printed in the RECORD, together with the heading that I submit with the plan, and also that a copy of the President's letter addressed to Mr. Walter F. Brown, chairman of the Joint Committee on Reorganization of the Government Departments, be printed in the RECORD, to be followed by the outline of the reorganization plan recommended by the President and the Cabinet. I ask also that the reorganization plan with the heading be printed as a public document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The letter and statement are as follows:

[Senate Document No. 302, Sixty-seventh Congress, fourth session.]

### REORGANIZATION OF THE EXECUTIVE DEPARTMENTS.

Letter from the President of the United States to Mr. Walter F. Brown, chairman of the Joint Committee on the Reorganization of Government Departments, transmitting a chart exhibiting in detail the present organization of the Government departments and the changes suggested by the President and the Cabinet. Presented by Mr. SMOOT February 13 (calendar day, February 16), 1923. Ordered to be printed.

THE WHITE HOUSE,  
Washington, February 13, 1923.

Mr. WALTER F. BROWN,

Chairman Joint Committee on the Reorganization  
of Government Departments, Washington, D. C.

MY DEAR MR. BROWN: I hand you herewith a chart which exhibits in detail the present organization of the Government departments and the changes suggested after numerous conferences and consultations with the various heads of the executive branch of the Government. The changes, with few exceptions, notably that of coordinating all agencies of national defense, have the sanction of the Cabinet. In a few instances, which I believe are of minor importance, the principle of major purpose has not been followed to the letter, in order to avoid controversies which might jeopardize reorganization as a whole.

Permit me to repeat what I have said to the members of the Joint Committee on Reorganization—that I regret deeply the delay in placing our suggestions in your hands. It has been caused solely by the difficulty which has been encountered in reconciling the views of the various persons charged with the responsibility of administering the executive branch of the Government.

With the earnest hope that the suggestions submitted may be of material assistance to the committee in performing its most important task, I am,

Very truly yours,

WARREN G. HARDING.

### OUTLINE OF THE REORGANIZATION PLAN RECOMMENDED BY THE PRESIDENT AND THE CABINET.

#### SUMMARY OF RECOMMENDATIONS.

The outstanding recommendations are as follows:

- I. The coordination of the Military and Naval Establishments under a single Cabinet officer as the Department of National Defense.
- II. The transfer of all nonmilitary functions from the War and Navy Departments to civilian departments, chiefly Interior and Commerce.

III. The elimination of all nonfiscal functions from the Treasury Department.

IV. The establishment of one new department, the Department of Education and Welfare.

V. The change of the name of the Post Office Department to Department of Communications.

VI. The attachment to the several departments of all independent establishments except those which perform quasi-judicial functions or act as service agencies for all departments.

### THE MORE IMPORTANT CHANGES, BY DEPARTMENTS.

#### STATE DEPARTMENT.

(a) The Bureau of Insular Affairs is transferred from the War Department to the Department of State.

#### TREASURY DEPARTMENT.

(a) The General Accounting Office, now an independent establishment, is transferred to the Treasury Department.

(b) The following bureaus, now in the Treasury Department, are transferred to other departments as noted:

BUREAU OR OFFICE—	TRANSFERRED TO—
Bureau of the Budget	Independent establishment.
General Supply Committee	Independent establishment. <sup>1</sup>
Public Health Service	Education and Welfare.
Coast Guard	Commerce, defense. <sup>2</sup>
Supervising Architect's Office	Interior.

#### WAR AND NAVY DEPARTMENTS.

(a) These departments are placed under a single Cabinet officer, as the Department of Defense. Three undersecretaries are provided; for the Army, for the Navy, and for national resources.

(b) The nonmilitary engineering activities of the War Department, including the Board of Engineers for Rivers and Harbors, the District and Division Engineer Offices, the Mississippi River and California Débris Commissions, the Board of Road Commissioners for Alaska, and the Office of Public Buildings and Grounds (District of Columbia), are transferred to the Department of the Interior.

(c) The marine activities of the War Department, including the Lake Survey Office, the Inland and Coastwise Waterways Service, and the supervisor of New York Harbor, are transferred to the Department of Commerce.

(d) The Bureau of Insular Affairs is transferred from the War Department to the Department of State.

(e) The Hydrographic Office and the Naval Observatory are transferred from the Navy Department to the Department of Commerce.

(f) The Revenue Cutter Service, now a part of the Coast Guard in the Treasury Department, is transferred from that department to the Naval Establishment.

#### DEPARTMENT OF THE INTERIOR.

(a) The Interior Department is given two major functions: The administration of the public domain and the construction and maintenance of public works. The subdivisions of the department are grouped accordingly under two assistant secretaries.

(b) The educational and health activities of the department, including the Bureau of Education, Indian schools, Howard University, the Columbia Institution for the Deaf, St. Elizabeths Hospital, and Freedmen's Hospital, together with the Bureau of Pensions, are transferred to the new Department of Education and Welfare.

(c) The Bureau of Mines<sup>3</sup> and the Patent Office are transferred to the Department of Commerce.

(d) The nonmilitary engineering activities of the War Department<sup>4</sup> are transferred to the Department of the Interior, as is also control over the national military parks.

(e) The Supervising Architect's Office is transferred from the Treasury Department to the Department of the Interior.

(f) The Bureau of Public Roads is transferred from the Department of Agriculture to the Department of the Interior.

(g) The functions of the Federal Power Commission, an independent establishment, are transferred to the Department of the Interior.

#### DEPARTMENT OF JUSTICE.

(a) The solicitors of the several departments, now nominally under the control of the Department of Justice, are transferred to the departments to which they are respectively attached.

(b) The office of the Alien Property Custodian, now an independent establishment, is transferred to the Department of Justice.

(c) The administration of United States prisons is transferred from the Department of Justice to the Department of Education and Welfare.

#### DEPARTMENT OF COMMUNICATIONS.

(a) The Post Office Department is renamed as the Department of Communications. The only important change contemplated is the addition of a bureau to develop and extend telephone and telegraphic communications, including wireless, for the general public benefit.

#### DEPARTMENT OF AGRICULTURE.

(a) The Bureau of Public Roads is transferred to the Department of the Interior.

(b) The Botanic Garden is transferred from congressional supervision to the control of the Department of Agriculture.

#### DEPARTMENT OF COMMERCE.

(a) The Department of Commerce is given three major functions: The promotion of industry, the promotion of trade, and the development, regulation, and protection of the merchant marine. The subdivisions of the department are organized, accordingly, under three Assistant Secretaries.

(b) The Bureau of Mines and the Patent Office are transferred to the Department of Commerce from the Department of the Interior, as well as the compilation of statistics of mineral production.<sup>5</sup>

<sup>1</sup> A bureau of purchase and supply is proposed, to be an independent establishment. It would assume the functions now performed by the General Supply Committee.

<sup>2</sup> The Coast Guard is now composed of the former Revenue Cutter and Life Saving Services (consolidated by the act approved January 28, 1915). It is proposed that the Revenue Cutter Service shall be transferred to the Naval Establishment (Department of Defense) and the Life Saving Service to the Department of Commerce.

<sup>3</sup> Except the Government fuel yards, which is to become a part of the proposed Bureau of Purchase and Supply (independent).

<sup>4</sup> See (b) under War and Navy Departments.

<sup>5</sup> Statistics of mineral production are compiled by the Geological Survey of the Interior Department.